

HOUSE OF REPRESENTATIVES

SATURDAY, MARCH 11, 1933

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D.D., offered the following prayer:

O Thou Almighty and Everlasting God, we wait with burdened hearts; at Thy mercy seat we bow; a great affliction has befallen our land; our neighbors and the gardens of the sundown sea are laid low. Clouds and darkness are round about Thy throne. Reason staggers; yet groping, trusting, hoping, we kneel blindly at the altar stairs that slope through darkness up to God. Father in heaven, allow not the stricken ones to be uncared for. In their desolation, in their surprise, and in their anguish O come to them, walking on the turbulent waves of their bitter sorrow. Comfort all who are in the region of death, and bless all who are borne down and perplexed. We pray, we plead in the name of Him who was slain from the foundation of the world; whose name is mercy, whose face is light, whose heart is love, whose strength is gentleness, and who is our pledge, our peace, and our immortality. Amen.

The Journal of the proceedings of yesterday was read and approved.

SWEARING IN OF MEMBER

Hon. SAM COLLINS, of the State of California, appeared at the bar of the House and received the oath of office.

DISASTER IN SOUTHERN CALIFORNIA

Mr. KRAMER. Mr. Speaker, I offer a resolution, which I send to the Clerk's desk.

The Clerk read as follows:

Resolution offered by Mr. KRAMER:

"House Resolution 33

"Resolved, That Congress in session extends to the people of California, to the relatives of the deceased, and to those injured, our deepest sympathy in the tragedy that has visited them, and wishes to assure them of our fullest cooperation and assistance in every way possible."

The resolution was agreed to.

MAINTENANCE OF CREDIT OF THE UNITED STATES GOVERNMENT

Mr. BYRNS. Mr. Speaker, I offer the following resolution, move its adoption, and upon that motion I move the previous question.

The Clerk read as follows:

Resolution offered by Mr. BYRNS:

"House Resolution 32

"Resolved, That immediately upon the adoption of this resolution the House shall proceed to the consideration of H.R. 2820, a bill to maintain the credit of the United States Government, and all points of order against said bill shall be considered as waived; that, after general debate, which shall be confined to the bill and shall continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Economy, the previous question shall be considered as ordered on the bill to final passage."

Mr. BROWNING. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BROWNING. If this resolution is adopted, there will not be any privilege of amendment given to the House, under any consideration?

The SPEAKER. There will not be.

Mr. BROWNING. Would a motion to recommit be in order following the third reading of the bill?

The SPEAKER. It would; yes.

Mr. RANKIN. Mr. Speaker, I make the point of order that the bill is not in order at this time for the reason that the report does not comply with the Ramseyer rule, with which the gentleman from Tennessee [Mr. BYRNS] is entirely familiar. The bill changes existing law, and the report does not set out the existing law as provided in the Ramseyer rule; and therefore I make the point of order that it is not in order at this time.

Mr. BYRNS. The point of order would be against the bill and not against the resolution.

Mr. RANKIN. It is against consideration of the bill.

Mr. BYRNS. That would come later.

Mr. RANKIN. No; you shut me off from all points of order with the passage of this resolution.

The SPEAKER. The point of order is overruled.

The question is on ordering the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the resolution.

Mr. RANKIN. Mr. Speaker, may I be permitted to make my point of order against the bill now or shall I make it when the bill is read? I do not want to waive my right to make the point.

The SPEAKER. The gentleman can make the point when the bill is called up.

The resolution was agreed to.

On motion of Mr. BYRNS, a motion to reconsider the vote by which the resolution was agreed to was laid on the table.

Mr. McDUFFIE from the Committee on Economy, by direction of that Committee and pursuant to H.Res. 28, reported the bill (H.R. 2820, Rept. No. 1) to maintain the credit of the United States Government, which was referred to the Union Calendar and ordered printed.

Mr. McDUFFIE. Mr. Speaker, I call up a privileged bill, H.R. 2820, to maintain the credit of the United States Government.

The Clerk read the bill, as follows:

Be it enacted, etc.,

TITLE I

VETERANS

SECTION 1. That subject to such requirements and limitations as shall be contained in regulations to be issued by the President, and within the limits of appropriations made by Congress, the following classes of persons may be paid a pension:

(a) Any person who served in the active military or naval service and who is disabled as a result of disease or injury or aggravation of a preexisting disease or injury incurred in line of duty in such service.

(b) Any person who served in the active military or naval service during any war subsequent to the Civil War, including the Boxer rebellion and the Philippine insurrection, and who is permanently disabled as a result of wound or disease.

(c) The widow, child, or children, dependent mother or father, of any person who dies as a result of disease or injury incurred or aggravated in line of duty in the active military or naval service.

(d) The widow and/or child of any deceased person who served during any war subsequent to the Civil War, including the Boxer rebellion and Philippine insurrection and prior to the World War.

(e) For the purpose of subparagraph (b) of this section, the World War shall be deemed to have ended November 11, 1918.

SEC. 2. The minimum and maximum monthly rate of pension which may be paid for disability or death shall be as follows: For disability, from \$6 to \$275; for death from \$12 to \$75.

SEC. 3. For each class of persons specified in subparagraphs (a) and (b) of section 1 of this title the President is hereby authorized to prescribe by regulation the minimum degrees of disability and such higher degrees of disability, if any, as in his judgment should be recognized and prescribe the rate of pension payable for each such degree of disability. In fixing rates of pensions for disability or death the President shall prescribe by regulation such differentiation as he may deem just and equitable, in the rates to be paid to veterans of different wars and/or their dependents and to be paid for

(a) Disabilities and deaths resulting from disease or injury incurred or aggravated in line of duty in war-time service;

(b) Disabilities and deaths resulting from disease or injury incurred or aggravated in line of duty in peace-time service;

(c) Disabilities and deaths not incurred in service.

SEC. 4. The President shall prescribe by regulation (subject to the provisions of section 1 (e) of this title) the date of the beginning and of the termination of the period in each war subsequent to the Civil War, including the Boxer rebellion and the Philippine insurrection, service within which shall for the purposes of this act be deemed war-time service. The President shall further prescribe by regulation the required number of days of war or peace time service for each class of veterans, the time limit on filing of claims for each class of veterans and their dependents, the nature and extent of proofs and presumptions for such different classes, and any other requirements as to entitlement as he shall deem equitable and just. The President in establishing conditions precedent may prescribe different requirements or conditions for the veterans of different wars and their dependents and may further subdivide the classes of persons as outlined in section 1 of this title and apply different requirements or conditions to such subdivisions.

SEC. 5. All decisions rendered by the Administrator of Veterans' Affairs under the provisions of this title, or the regulations issued

pursuant thereto, shall be final and conclusive on all questions of law and fact, and no other official or court of the United States shall have jurisdiction to review by mandamus or otherwise any such decision.

Sec. 6. In addition to the pensions provided in this title, the Administrator of Veterans' Affairs is hereby authorized under such limitations as may be prescribed by the President, and within the limits of existing Veterans' Administration facilities, to furnish to veterans of any war, including the Boxer rebellion and the Philippine insurrection, domiciliary care where they are suffering with permanent disabilities and medical and hospital treatment for diseases or injuries incurred or aggravated in line of duty in the active military or naval service.

Sec. 7. The Administrator of Veterans' Affairs subject to the general direction of the President and in accordance with regulations to be issued by the President shall administer, execute, and enforce the provisions of this title and for such purpose shall have the same authority and powers as are provided in sections 425, 430, 431, 432, 433, 434, 440, 442, 443, 444, 447, 450, 451, 453, 455, 457, 458, 459, 459a, 459c, 459d, 459e, 459f, title 38, U.S.C., and such other sections of title 38, U.S.C., as relate to the administration of the laws granting pensions.

Sec. 8. The Administrator of Veterans' Affairs is hereby authorized in carrying out the provisions of title I of this act or any other pension act to delegate authority to render decisions to such person or persons as he may find necessary. Within the limitations of such delegations any decisions rendered by such person or persons shall have the same force and effect as though rendered by the Administrator of Veterans' Affairs. The President shall personally approve all regulations issued under the provisions of this title.

Sec. 9. Claims for benefits under this title shall be filed with the Veterans' Administration under such regulations, including provisions for hearing, determination, and administrative review, as the President may approve, and payments shall not be made for any period prior to date of application. When a claim shall be finally disallowed under this title and the regulations issued thereunder, it may not thereafter be reopened or allowed.

Sec. 10. Notwithstanding the provisions of section 2 of this title, any person who served as an officer of the Army, Navy, or Marine Corps of the United States during the World War, other than as an officer of the Regular Army, Navy, or Marine Corps, who made valid application for retirement under the provisions of Public Law No. 506, Seventieth Congress, enacted May 24, 1928, sections 581 and 582, title 38, United States Code, and who prior to the passage of this act has been granted retirement with pay, shall be entitled to continue to receive retirement pay at the monthly rate now being paid him if the disability for which he has been retired resulted from disease or injury or aggravation of a preexisting disease or injury incurred in line of duty between April 6, 1917, and November 11, 1918: *Provided*, That the disease or injury or aggravation of the disease or injury directly resulted from the performance of military or naval duty, and that such person otherwise meets the requirements of the regulations which may be issued under the provisions of this act.

Sec. 11. All offenses committed and all penalties or forfeiture incurred under the acts repealed by section 17 of this title may be prosecuted and punished in the same manner and with the same effect as if said repeal had not been made and any person who forfeited rights to benefits under any such acts shall not be entitled to any benefits under this title.

Sec. 12. That whoever in any claim for benefits under this title or by regulations issued pursuant to this title, makes any sworn statement of a material fact knowing it to be false, shall be guilty of perjury and shall be punished by a fine of not more than \$5,000 or by imprisonment for not more than 2 years, or both.

Sec. 13. That if any person entitled to payment of pension under this title, whose right to such payment under this title or under any regulation issued under this title, ceases upon the happening of any contingency, thereafter fraudulently accepts any such payment, he shall be punished by a fine of not more than \$2,000 or by imprisonment for not more than 1 year, or both.

Sec. 14. That whoever shall obtain or receive any money, check, or pension under this title, or regulations issued under this title, without being entitled to the same, and with intent to defraud the United States or any beneficiary of the United States, shall be punished by a fine of not more than \$2,000, or by imprisonment for not more than 1 year, or both.

Sec. 15. Any person who shall knowingly make or cause to be made, or conspire, combine, aid, or assist in, agree to, arrange for, or in any wise procure the making or presentation of a false or fraudulent affidavit, declaration, certificate, statement, voucher, or paper, or writing purporting to be such, concerning any claim for benefits under this title, shall forfeit all rights, claims, and benefits under this title, and, in addition to any and all other penalties imposed by law, shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not more than \$1,000 or imprisonment for not more than 1 year, or both.

Sec. 16. Every guardian, curator, conservator, committee, or person legally vested with the responsibility or care of a claimant or his estate, having charge and custody in a fiduciary capacity of money paid, under the provisions of this title, for the benefit of any minor or incompetent claimant, who shall embezzle the same in violation of his trust, or convert the same to his own use, shall be punished by a fine not exceeding \$2,000 or imprisonment at hard labor for a term not exceeding 5 years, or both.

Sec. 17. All public laws granting medical or hospital treatment, domiciliary care, compensation, pension-disability allowance, or retirement pay to veterans of the Spanish-American War, including the Boxer rebellion and the Philippine insurrection, the World War, or to former members of the military or naval service for injury or disease incurred or aggravated in the line of duty in the military or naval service except so far as they relate to persons who served prior to the Spanish-American War, and the retirement of officers and enlisted men of the Regular Army, Navy, or Marine Corps, are hereby repealed, and all laws granting or pertaining to yearly renewable term insurance are hereby repealed, but payments in accordance with such laws shall continue to the first day of the third calendar month following the month during which this act is enacted. The Administrator of Veterans' Affairs under the general direction of the President shall immediately cause to be reviewed all allowed claims under the above-referred-to laws and where a person is found entitled under this act, authorize payment or allowance of benefits in accordance with the provisions of this act commencing with the first day of the fourth calendar month following the month during which this act is enacted and notwithstanding the provisions of section 9 of this act no further claim in such cases shall be required: *Provided*, That nothing contained in this section shall interfere with payments heretofore made or hereafter to be made under contracts of yearly renewable term insurance which have matured prior to the date of enactment of this act and under which payments have been commenced.

Sec. 18. For the fiscal year ending June 30, 1934, pension, and/or any other monetary gratuity payable to former members of the military or naval service in wars prior to the Spanish-American War for service, age, disease, or injury, except retired pay of officers and enlisted men of the Regular Army, Navy, or Marine Corps shall be reduced by 10 percent of the amount payable.

TITLE II

OFFICERS AND EMPLOYEES

Sec. 1. When used in this title—

(a) The terms "officer" and "employee" mean any person rendering services in or under any branch or service of the United States Government or the government of the District of Columbia, but do not include (1) officers whose compensation may not, under the Constitution, be diminished during their continuance in office; (2) the Vice President, Senators, Representatives in Congress, Delegates, and Resident Commissioners; (3) officers and employees on the rolls of the Senate and House of Representatives; (4) any person in respect of any office, position, or employment the amount of compensation of which is expressly fixed by international agreement; and (5) any person in respect of any office, position, or employment the compensation of which is paid under the terms of any contract in effect on the date of the enactment of this title, if such compensation may not lawfully be reduced.

(b) The term "compensation" means any salary, pay, wage, allowance (except allowances for travel), or other emolument paid for services rendered in any civilian or noncivilian office, position, or employment; and includes the retired pay of judges (except judges whose compensation, prior to retirement or resignation, could not, under the Constitution, have been diminished), and the retired pay of all commissioned and other personnel of the Coast and Geodetic Survey, the Lighthouse Service, and the Public Health Service, and the retired pay of all commissioned and other personnel of the Army, Navy, Marine Corps, and Coast Guard; but does not include payments out of any retirement, disability, or relief fund made up wholly or in part of contributions of employees.

Sec. 2. For that portion of the fiscal year 1933 beginning with the first day of the calendar month following the month during which this act is enacted, and for fiscal year ending June 30, 1934, the compensation of every officer or employee shall be determined as follows:

(a) The compensation which such officer or employee would receive under the provisions of any existing law, schedule, regulation, Executive order, or departmental order shall first be determined as though this title (except section 4) had not been enacted.

(b) The compensation as determined under subparagraph (a) of this section shall be reduced by the percentage, if any, determined in accordance with section 3 of this title.

Sec. 3. (a) The President is authorized to investigate the facts relating to the costs of living in the United States during the 6 months' period ending June 30, 1928, to be known as the base period, and upon the basis of such facts and the application thereto of such principles as he may find proper, determine an index figure of the cost of living during such period. The President is further authorized to make a similar investigation and determination of an index figure of the cost of living during the 6 months' period ending December 31, 1932, and each 6 months' period thereafter.

(b) The President shall announce by Executive order the index figure for the base period and for each subsequent period determined by him under paragraph (a) of this section. The percentage, if any, by which the cost-of-living index for any 6 months' period, as provided in paragraph (a) of this section, is lower than such index for the base period, shall be the percentage of reduction applicable under section 3 (b) of this title in determining compensation to be paid during the following 6 months' period, or such portion thereof during which this title is in effect:

Provided, That such percentage of reduction shall not exceed 15 per cent.

Sec. 4. (a) Section 4 of "An act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes," approved March 3, 1933, is hereby amended to read as follows:

"Sec. 4. (a) The provisions of the following sections of part II of the Legislative Appropriation Act, fiscal year 1933, are hereby continued in full force and effect during the fiscal year ending June 30, 1934, namely, sections 105 (except subsections (d) and (e) thereof), 107 (except paragraph (5) of subsection (a) thereof, and subsection (b) thereof), 201, 203, 206 (except subsection (a) thereof), 211, 214, 216, 304, 315, 317, 318, and 323, and for the purpose of continuing such sections, in the application of such sections with respect to the fiscal year ending June 30, 1934, the figures '1933' shall be read as '1934'; the figures '1934' as '1935'; and the figures '1935' as '1936'; and, in the case of section 203, the figures '1932' shall be read as '1933'; except that in the application of such sections with respect to the fiscal year ending June 30, 1934 (but not with respect to the fiscal year ending June 30, 1933), the following amendments shall apply:

"(1) Section 216 is amended by striking out the period at the end thereof and inserting in lieu thereof a colon and the following: '*Provided further*, That no employee under the classified civil service shall be furloughed under the provisions of this section for a total of more than 90 days during the fiscal year 1934, except after full and complete compliance with all the provisions of the Civil Service laws and regulations relating to reductions in personnel.'

"(2) Section 317 is amended by striking out the period at the end thereof and inserting in lieu thereof a colon and the following: '*Provided further*, That no part of any appropriation for "public works", nor any part of any allotment or portion available for "public works" under any appropriation, shall be transferred pursuant to the authority of this section to any appropriation for expenditure for personnel unless such personnel is required upon or in connection with "public works". "Public works" as used in this section shall comprise all projects falling in the general classes enumerated in Budget Statement No. 9, pages A177 to A182, inclusive, of the Budget for the fiscal year 1934, and shall also include the procurement of new airplanes and the construction of vessels under appropriations for "Increase of the Navy." The interpretation by the Director of the Bureau of the Budget, or by the President in the cases of the War Department and the Navy Department, of "public works" as defined and designated herein shall be conclusive.'

"(b) All acts or parts of acts inconsistent or in conflict with the provisions of such sections as amended are hereby suspended during the period in which such sections, as amended, are in effect.

"(c) No court of the United States shall have jurisdiction of any suit against the United States or (unless brought by the United States) against any officer, agency, or instrumentality of the United States arising out of the application as provided in this section, of such sections 105, 107, 109, or 112, as amended, unless such suit involves the Constitution of the United States.

"(d) The appropriations or portions of appropriations unexpended by reason of the operation of the amendments made in subsection (a) of this section shall not be used for any purpose, but shall be impounded and returned to the Treasury.

"(e) Each permanent specific annual appropriation available during the fiscal year ending June 30, 1934, is hereby reduced for that fiscal year by such estimated amount as the Director of the Bureau of the Budget may determine will be equivalent to the savings that will be effected in such appropriation by reason of the application of this section and section 7."

(b) Section 5 of the Treasury and Post Office Appropriation Act, fiscal year 1934, is hereby repealed.

(c) Section 6 of the said Treasury and Post Office Appropriation Act, fiscal year 1934, is amended to read as follows:

"Sec. 6. Sections 215 of the Legislative Appropriation Act, fiscal year 1933, shall be held applicable to the officers and employees of the Panama Canal and Panama Railroad Co. on the Isthmus of Panama, and to officers and employees of the United States (including enlisted personnel) holding official station outside the continental United States, only to the extent of depriving each of them of 1 month's leave of absence with pay during each of the fiscal years ending June 30, 1933, and June 30, 1934."

(d) The following sections of part II of the Legislative Appropriation Act, fiscal year 1933, are hereby repealed effective on the first day of the calendar month following the month in which this act is enacted; namely, sections 101, 102, 103, 104, 105 (except subsections (a), (b), and (c) thereof), 106, 107 (except paragraphs (1), (2), (3), and (4) of subsection (a) thereof), and 108.

(e) Subsection (a) of section 105 of the legislative appropriation act, fiscal year 1933, is amended to read as follows, beginning with the first day of the calendar month following the month during which this act is enacted:

"(a) The salaries of the Vice President and the Speaker of the House of Representatives are reduced by 15 per cent; and the salaries of Senators, Representatives in Congress, Delegates, and Resident Commissioners are reduced by 15 per cent."

Sec. 5. Retirement deductions authorized by law to be made from the salary, pay, or compensation of officers or employees and transferred or deposited to the credit of a retirement fund, shall be based on the regular rate of salary, pay, or compensation instead

of on the rate as temporarily reduced under the provisions of this title.

Sec. 6. In the case of a corporation the majority of the stock of which is owned by the United States, to holders of the stock on behalf of the United States, or such persons as represent the interest of the United States in such corporation, shall take such action as may be necessary to apply the provisions of this title to offices, positions, and employments under such corporation and to officers and employees thereof, with proper allowance for any reduction in compensation since December 31, 1931.

Sec. 7. In any case in which the application of the provisions of this title to any person would result in a diminution of compensation prohibited by the Constitution, the Secretary of the Treasury is authorized to accept from such person, and cover into the Treasury as miscellaneous receipts, remittance of such part of the compensation of such person as would not be paid to him if such diminution of compensation were not prohibited.

Sec. 8. The appropriations or portions of appropriations unexpended by reason of the operation of this title shall not be used for any purpose, but shall be impounded and returned to the Treasury.

Sec. 9. No court of the United States shall have jurisdiction of any suit against the United States or (unless brought by the United States) against any officer, agency, or instrumentality of the United States arising out of the application of any provision of this title, unless such suit involves the Constitution of the United States.

TITLE III

AMENDMENTS TO LEGISLATIVE APPROPRIATION ACT, FISCAL YEAR 1933

SECTION 1. Sections 407 and 409 of title IV of part II of the legislative appropriation act, fiscal year 1933, as amended by section 17 of the Treasury and Post Office Appropriation Act, approved March 3, 1933, are amended to read as follows:

"Sec. 407. Whenever the President makes an Executive order under the provisions of this title, such Executive order shall be submitted to the Congress while in session and shall not become effective until after the expiration of 60 calendar days after such transmission, unless Congress shall by law provide for an earlier effective date of such Executive order or orders.

"Sec. 409. No Executive order issued by the President in pursuance of the provisions of section 403 of this title shall become effective unless transmitted to the Congress within 2 years from the date of the enactment of this act."

Mr. BLANTON (interrupting the reading of the bill). Mr. Speaker, I ask unanimous consent that the further reading of the bill be dispensed with and that the bill be printed in the RECORD at this point as if read.

Mr. KELLER and Mr. BOILEAU objected.

(The Clerk concluded the reading of the bill.)

Mr. RANKIN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. RANKIN. I want to inquire about the division of time, whether or not Members opposed to the measure in its present form will be given an equitable division of time?

The SPEAKER. The time is fixed by the resolution and is controlled by the gentleman from Alabama and the gentleman from New York.

Mr. RANKIN. I understand they are both in favor of the bill as now written and many Members on this side of the House are not. We think that those of us who are not in favor of the bill ought to be given the usual division of time, and I want to ask the gentlemen if they will yield us one half of the time on each side so that we may yield it to those who desire to oppose the bill?

Mr. McDUFFIE. In answer to the gentleman, it is always the purpose of the committee to be fair. It will be impossible within the limit of the time fixed by the resolution for every man who wishes to express his views against the bill to do so. I recognize the right of those opposed to the bill to express themselves on the floor, and I am willing to yield a part of my time to them.

Mr. RANKIN. How much?

Mr. McDUFFIE. Not one half of the time.

Mr. RANKIN. Why not?

Mr. McDUFFIE. The bill must be explained, and instead of dealing in generalities, I think we should go into the merits of the legislation itself, and the gentleman knows we cannot do that and give everyone opposed to the bill a chance to express himself on the floor.

Mr. RANKIN. Suppose the gentleman is not willing to yield half of his time but will yield 20 minutes, and the gentleman from New York yield 20 minutes to those opposed.

Mr. TABER. So far as I have been able within the time allotted to me, I have arranged to take care of those on this

side who are opposed to the bill. I do not know that I can do anything more than that.

Mr. McDUFFIE. I am going to yield the gentleman from Mississippi as much time as is possible.

Mr. RANKIN. How much—20 or 25 minutes? We ought to know now so that the time may be distributed.

Mr. McDUFFIE. I prefer not to say definitely, now.

Mr. RANKIN. I want to call attention to the fact that that has been the custom of the House, one that has been scrupulously adhered to—to yield half the time to those opposed to the legislation—and I think that ought to be carried out at this time. There is not such a hurry about the bill that we cannot discuss it from our standpoint. We are not abusing anybody; we are on the defensive. We are merely defending the rights of the disabled veterans.

The SPEAKER. The gentleman from Alabama is recognized for 1 hour.

Mr. McDUFFIE. Mr. Speaker, I shall yield to the gentleman from Mississippi [Mr. RANKIN], and to the gentleman from Tennessee [Mr. BROWNING], to the gentleman from Arkansas, and to the gentleman from Texas [Mr. PATMAN], but not more than 5 minutes each. Those are the only ones who have spoken to me about it.

Mr. CONNERY rose.

Mr. McDUFFIE. There is one more, the gentleman from Massachusetts. I shall endeavor to be fair about the matter, and now I wish to take 5 minutes to make a general statement.

The SPEAKER. The gentleman from Alabama is recognized for 5 minutes.

Mr. McDUFFIE. Mr. Speaker and gentlemen of the House, I shall not take up your time to discuss the economic condition of this Nation. It is not necessary to go over that at this time because we all know it. I may state at the outset, however, that within the last 60 days the interest rate on short-term United States Treasury notes has increased from one tenth of 1 percent to $4\frac{1}{4}$ per cent, and that looks very much as if we were headed toward bankruptcy, as stated by the President in his message. This is no time to talk about group legislation or hurting any one class of our people, when every citizen's welfare is involved. This is no time to think of self, but this is a time of all times to think and act in terms of the welfare of our Nation. [Applause.] If you gentlemen have not done so, I appeal to you now to read, and read over and over, the message sent to this House by the President of the United States on this question.

I doubt if in the history of this Congress there has ever been read from that stand, or delivered here, a bolder and more courageous statement, coupled with a more genuine sincerity of purpose, in an effort to save this Nation, than that which came from the President of the United States on this question. It will go down in history as one of the greatest messages ever sent to Congress. Before reading to you one or two excerpts from that message, let me remind you that we have an accumulated deficit now of \$5,000,000,000, and you cannot tell me that the rank and file of those who were willing to lay down their lives for that flag in time of war are not willing now to make some sacrifice to save this country from a terrific financial collapse in times of peace. [Applause.]

Speaking of the economic condition of the country and the failure to act to restore it, the President said:

It has added to the ranks of the unemployed. Our Government's house is not in order, and for many reasons no effective action has been taken to restore it to order.

He is trying to take bold and courageous action, and the suffering American people are standing behind Franklin D. Roosevelt today. They are trying to hold up his hands, and they expect you to hold up his hands in this effort to restore the financial condition of this country. This bill, if enacted, will not be an act on your part to take a dime from a single worthy ex-service man. You are simply placing the responsibility on a great man who is willing to assume it. Your vote for this bill simply shows your willingness and your desire to cooperate with him, believing, as I know you

believe, that he meant what he said in his message when he said:

If the Congress chooses to vest me with this responsibility, it will be exercised in a spirit of justice to all, sympathy to those who are in need and of maintaining inviolate the basic welfare of the United States.

Oh, we have talked about the balancing of the Budget, and some gentlemen here have grown to laugh at it; but I say that there is no quicker way to restore the economic conditions of this country, there is no quicker way to shorten the bread lines, there is no quicker way to lessen unemployment in America than by putting this Nation on an even keel financially. [Applause.]

It is true this bill grants a great deal of power, but this country is in a state of war—not against a foreign enemy but war against economic evils that demand some sacrifice on your part and on mine. The time has come when each of us must sacrifice personal opinions and his own ideas for the common good. The time has come when we must each realize that it is not essential that you and I remain in this Congress, as the gentlewoman from New Jersey [Mrs. NORTON] said this morning, but it is vital that the institutions of this Government endure. Your President, the President you followed, and without whose leadership possibly some of us could not be here, has called you to arms, and in the language of a great Federal naval hero of the glistening waters of Mobile Bay many years ago, the time has come to give the command, as Admiral Farragut did: "Full speed ahead! Damn the torpedoes!" [Applause.]

Mr. TABER. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. BOILEAU].

Mr. BOILEAU. Mr. Speaker and Members of the House, there are quite a few Members of the House who have been advocating for a long time a controlled expansion of the currency as the most acceptable and best way of combating the economic depression. I am one of those who believe that if we have an intelligent expansion of the currency, we can so increase the revenues to the Federal Government that we will not be obliged to pass such legislation as this in order to balance the Budget. We passed a measure the other day which provides to some extent for expansion of the currency, but it seems to me that every attempt which has been successfully made to expand the currency has been made in the interest of the banks of the country. I do not oppose and have not opposed any measure that has had as its purpose the stabilization of our banks. I have supported all of these measures and have done so gladly, because I have felt that the banks were in need of some assistance. I am willing to help them further. I submit, however, that we should expand the currency in such a way that we can get the money of the country out into circulation among the people; we should enact the Frazier bill, or some other bill along that line, and in that way increase commodity prices and give relief to farmers and other debtors, thereby increasing the incomes of our people, and so stimulate business that our problem of balancing the Budget will take care of itself.

I will not delegate my duty as a Member of the House of Representatives. I will not, so far as I am concerned, delegate the powers of Congress in such an important matter to any man. [Applause.] I have the highest regard for and the greatest confidence in our Chief Executive. I believe he is going to do all he possibly can to bring us out of the mire in which we now find ourselves, but I do not believe that Congress should surrender all its power or dodge its duties and responsibilities. We owe a duty to the people who sent us here, and I for one will not delegate all this power to the Chief Executive or to such persons as he may designate to assist him in carrying out this program.

I do not believe we are justified in authorizing these great reductions in the amount of compensation that is to be paid to the disabled men who served this country during the World War and other wars. At least, we should hold hearings, permit the veterans to give their views to Congress, permit them to present their cases before we take such drastic action. We should take sufficient time to hear them and to get their views and to solve this problem intelli-

gently rather than be stampeded into doing an injustice to the ex-service men.

There may be some justification for reducing the salaries paid to Federal employees and officials, but I am of the opinion that reducing the purchasing power of the American people in this way will not help us in the present emergency.

A further reduction in Federal salaries will probably be followed by a reduction in salaries on the part of industry, and such reductions cannot help us solve our problems. I do not believe we should do that, because I feel there is a better way of handling the problem. I am willing to reduce the purchasing power of my salary 50 percent, if need be, by an expansion of currency, by the cheapening of the value of those dollars that I receive. I believe that holds out some hope of helping the country as a whole, and I believe it will give some relief to the farmers who are in distress. We cannot balance the Budget upon the basis of cheap prices for farm products. I believe that an expansion of the currency and cheapening of the dollar will raise commodity prices, and I am willing to go as far as anyone in that regard. I believe that is the solution of our problems, and I, for one, cannot support this bill, and I hope there will be a sufficient number of the Members of this House who will voice their disapproval and vote down the bill today. [Applause.]

The SPEAKER pro tempore (Mr. BROWN of Kentucky). The time of the gentleman from Wisconsin [Mr. BOILEAU] has expired.

Mr. McDUFFIE. Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Speaker, I wish to say to those Members who are now talking about standing by the President that I am one of the first friends the present President ever had in this House. I was supporting him "under fire," if you please, when they were opposing him. I am a better friend of the President now than any of his advisers who are urging him to take, or trying to give him, this tremendous responsibility with all its far-reaching consequences.

The gentleman from Alabama [Mr. McDUFFIE] brings up the old cry about balancing the Budget. Are you going to balance the Budget at the expense of the disabled veteran? I might as well tell you now that the limit of reductions for World War veterans alone under this scheme is \$275,000,000. Some gentleman near me says \$279,000,000.

Now, we are asking that you give us an opportunity to offer an amendment which ought to be adopted. There is no need for all this haste and all this gag rule.

I have been pleading here for an expansion of the currency for 3 years. If you balance the Budget on the present price levels and stabilize this country on 20-cent wheat and 5-cent cotton, those men who are turned out, those soldiers, if you please, who have fought our battles in times of war and who have sustained the Nation in times of peace will not only go into the bread lines but their wives and children and their widows and orphans will suffer as a result.

I know it is not pleasant, even under these conditions; I know it is more or less dangerous for a man of my convictions to rise and oppose legislation which its sponsors say meets every requirement of the White House, but I cannot conscientiously support this bill; and therefore I have asked for this time, and I have been given only 5 minutes, although I am now chairman of the Veterans' Committee of the House and have been the ranking Democratic member of that committee for many years. The stabilizing influence in this country is not those bankers who got \$2,000,000,000 which the gentleman from Alabama helped to give them through the Reconstruction Finance Corporation.

Mr. McDUFFIE. I will say to the gentleman that I voted against the Reconstruction Finance Corporation.

Mr. RANKIN. Then I refer to the other gentlemen who voted for that bill. I am glad to know the gentleman got right once.

Mr. McDUFFIE. That is better than not being right at all at any time.

Mr. RANKIN. This more than \$2,000,000,000 that was provided for the Reconstruction Finance Corporation I told you then would be poured into a sink hole. We will never get it back. It has gone to take care of the big financiers, and now we are asked to sacrifice our convictions, stultify our views, and vote for a measure which we know is to take bread from the mouths of the disabled veterans of the World War and the Spanish-American War, and their widows and orphans throughout the country. I cannot support it, and I shall support the Browning amendment if it is offered. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Mississippi has expired.

Mr. TABER. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. WITHROW].

Mr. WITHROW. Mr. Speaker, yesterday when I attempted to say a few words relative to this matter, the gentleman from Tennessee [Mr. BYRNS] inferred that I was attempting to inject partisan politics. I believe it is fair to say that I have been as little partisan as any Member of the House of Representatives during my tenure of office. As a matter of fact, I have been divested of all the prerogatives of my office because of the fact that I have not been partisan. In the future, as in the past, I shall support the President when I think he is right and I shall oppose him when I feel that he is wrong.

I believe in real economy. We held an election last November and the people of the United States of America spoke. They said they wanted economy, but they did not want it at the expense of the poor workingman and the disabled veteran. They wanted the slack taken out of governmental departments, and they should get it. They were promised a new deal. It ill behooves you people who voted for the Reconstruction Finance Corporation to talk about economy—and there were only 54 of us who voted against it. The rest of you voted to dump hundreds of millions of dollars of the taxpayers' money into the laps of the big banking interests of this country, in the hope that some of it might sift through and help the farmer and unemployed.

At that time you argued that the Reconstruction Finance Corporation was to be the savior of the Nation. The activities of the Reconstruction Finance Corporation smell to the high heavens. Now, because the big financiers have again dissipated the Treasury, the soldiers who were real patriots must again be sacrificed.

We have at this time, and have had for several months, a committee in the Senate holding hearings on veterans' legislation. They are ready to report, and we are entitled to the benefit of the expense to which the United States has gone in holding these hearings.

For more than 2 months this joint committee of the Senate and House of Representatives studied the problems of veterans' legislation in an endeavor to determine whether reductions could be made in the present appropriations for veterans to help the Government meet its fiscal crisis. That committee heard an abundance of testimony on all sides of the question. It spent weeks listening to the economists, medical specialists, and other experts. It has as yet been unable to formulate any recommendation or even make a report.

How can you, in a matter of perhaps 2 hours or less, settle this important problem without doing irreparable damage to thousands of American homes throughout the Nation and thereby increase the suffering of an already hard-pressed people?

Mr. Speaker, if this measure is passed we should, in consistency, close the doors of Congress and go home. [Applause.]

I, for one, do not intend to surrender the prerogatives of my office to any President of the United States, whether he be Republican or Democrat, and I have great respect for the President.

The President is just a human being. He is not a superman. Let us go to the State of New York and examine his record while governor of that State.

Did he balance the budget of the State of New York? Of course he did not. In the fiscal year ending June 30, 1931, there was a deficit of \$40,350,000. In 1932 there was a deficit of \$101,861,500. Remember that this is only 1 of the 48 States. In the fiscal year ending June 30, 1931, the State of New York was bonded to the extent of \$411,298,000. In 1932 this bonded indebtedness had increased to \$441,157,000.

I do not intend any criticism of President Roosevelt. I respect his ability and hope that the Nation's trust in his leadership will not be betrayed. I quote these figures, which show that President Roosevelt was not able to effect economy as governor of his own State, merely to impress the fact that he is no superman.

Therefore, I plead that you gentlemen will meet this responsibility squarely and will vote to keep this responsibility right here in the House of Representatives, where it belongs. Let us meet this problem squarely and battle it out here on the floor of the House in accordance with the wishes of the people who sent us here as their Representatives. By shifting the power to cut salaries and reduce veterans' benefits onto the shoulders of the President, you gentlemen are merely continuing the shifting and dodging policies which have already plunged our country into such dire distress.

If you gentlemen are afraid to meet this problem on your own responsibility, and do not have the courage to cast your vote for or against these measures here on the floor of the House, then cast your votes to declare the President dictator, and close up the doors of Congress and go home. [Applause.]

[Here the gavel fell.]

Mr. McDUFFIE. Mr. Speaker, I yield 3 minutes to the gentleman from Alabama [Mr. JEFFERS].

Mr. JEFFERS. Mr. Speaker, I feel very serious about the matter now before the House and I want to call to the attention of the House some of the provisions of this proposed legislation.

If you will read section 8, on page 5, you will see that the Administrator of Veterans' Affairs can by his own action or by delegating to any person or persons, namely, some board, the right to render decision in any case, and all such decisions rendered by such person or persons shall have the same force and effect as though rendered by the Administrator of Veterans' Affairs.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. JEFFERS. I cannot; I have but 3 minutes.

Mr. TABER. Is not that the same power he now has?

Mr. JEFFERS. But provisions (b) and (c) on page 2 are not in existence at the present time. Do not forget that.

There is this further provision; section 5 reads as follows:

Sec. 5. All decisions rendered by the Administrator of Veterans' Affairs under the provisions of this title, or the regulations issued pursuant thereto, shall be final and conclusive on all questions of law and fact, and no other official or court of the United States shall have jurisdiction to review by mandamus or otherwise any such decision.

I also call your attention to line 2 of page 6:

When a claim shall be finally disallowed under this title and the regulations issued thereunder, it may not thereafter be reopened or allowed.

So, the Administrator of Veterans' Affairs or any board or person designated by him can take section (b) on page 2 and do away with the disability allowance altogether if they so desire, even up to 100 percent.

I am all in favor of supporting our President, but I cannot at this time see how the House can, in these few minutes, without any careful or thorough consideration of this most important subject, pass legislation of this character which will empower the Administrator of Veterans' Affairs with this authority to do whatsoever he may will with the legislation enacted by the Congress of the United States. Let us at least have some opportunity to study this measure and have some knowledge of its contents and import. I thank you. [Applause.]

Mr. KVALE. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it. Mr. KVALE. Is there any way to resist the evident and the unfair purpose of those in charge of the time to yield to all the opponents of the bill first?

The SPEAKER pro tempore. Apparently not.

Mr. TABER. Mr. Speaker, I yield 2 minutes to the gentleman from North Dakota [Mr. LEMKE].

Mr. LEMKE. Mr. Speaker, I desire particularly to address myself to the Members on this side of the House, because I campaigned for your candidate for President in several States, and I think I know the pulse of the people of this Nation.

I may say to you that the American people do not want this economy practiced on the disabled soldiers. [Applause.] We are willing that Wall Street should forego the clipping of interest coupons on bonds of the United States of America. I therefore wish to suggest an amendment to this bill so as to give to the President the power to suspend the interest for 3 years on the bonded indebtedness of the United States.

Mr. ADAMS. Mr. Speaker, will the gentleman yield?

Mr. LEMKE. I regret I cannot yield now.

I say to you that these disabled veterans pulled the chestnuts out of the fire for the international bankers when they bet on the wrong horse over in Europe to the extent of billions of dollars before we entered the War, and surely they should not be injured now by taking away from them the disability compensation. This is not economy. It is not right. Let the President make the cuts where they ought to be made; and, in all fairness to the Members on this side, I want to say the time is not distant when the President will make the same mistake his predecessor made unless you, as Members of Congress, prevent him by your vote from taking such a course.

Mr. Speaker, we have at our finger tips all the things necessary to bring about the greatest prosperity the world has ever seen. We have too much to eat, yet half of the farmers of this Nation have lost their homes producing it. We have too much raw material, yet we have 15,000,000 men and women who want to make finished products of this raw material; and there is hardly a man or woman in this Nation who does not need some new clothes or other necessities of life. Yet we are asking by this bill to take from the disabled veterans and employees of this Nation part of their meager livelihood, and at the same time permit the international bankers to continue to clip the coupons from their war-profit bonds. [Applause.]

[Here the gavel fell.]

Mr. McDUFFIE. Mr. Speaker, I yield 4 minutes to the gentleman from Massachusetts [Mr. CONNERY].

Mr. CONNERY. Mr. Speaker, pledges to my constituents prevent my voting for the bill under consideration.

The people of my district expect of me the courage to face manfully the issues which arise and vote, as I understand them, the wishes of those I represent.

Were I to dodge my obligations, as is called for in the pending bill, by delegating to the President the powers of Congress virtually to repeal the benefits due the disabled veterans or to reduce the small compensation now paid to Federal employees, I would be considered one not fit to represent the people of my district.

However, realizing that the Democratic Party, under the able and inspiring leadership of President Roosevelt, will find a constructive way in which to balance the Budget, it is not my purpose to play the part of an obstructionist and simply vote "no." I have something to offer in place of this bill.

The masses of our people—the disabled veterans, those who fought and suffered for our country in the line of battle, the industrial workers, and the farmers—have suffered greatly during recent years through the loss of an income. In addition, millions of our people, those who are often referred to as the masses, have seen their life's savings wiped away through the loss of their jobs, through the foreclosure of

their homes and their farms, or through the closing of those banks in which they had deposited their savings against the proverbial rainy day.

Mr. Speaker, it is my desire, as I know it is the desire of those assembled here, to legislate for the benefit of the masses of our people and not for the benefit of the small privileged class who hold the obligations of our Government, and who are constantly seeking legislation to deprive the masses of the small benefits they now enjoy.

I believe we can effect the savings desired by President Roosevelt without depriving the disabled veterans of the compensation they now receive or by reducing the wages of those employed by the Federal Government. I do not believe that we will make any saving by transferring the payment of the small compensation paid to our disabled veterans from the backs of the large income payers to the backs of the small property owners of the country.

Mr. Speaker, this year some \$8,000,000,000 of tax-exempt Liberty bonds, carrying interest charges averaging almost 4¼ percent, are available. The retirement of these bonds and the issuance to the owners of these bonds of 5-year Treasury certificates carrying 2 percent interest will permit of a saving of some \$175,000,000 yearly. This will not result in inflation nor the addition of one dollar to the public debt.

The holders of these bonds, a small privileged group, have suffered neither the loss of principal nor of income, and the security they will hold will not be impaired in value. The reduction in interest will not affect them so materially as the reduction already voted to Federal employees. The smaller return on their investments will not deprive them of one meal or visit upon them any of the many misfortunes already inflicted upon the masses of our people.

The veterans of the World War and other veterans have proven their interest in their Government. They did not profiteer when their Government called them, and they are as patriotic now as they were in years gone by.

If this bill had been referred to the Veterans' Committee, as I believe it should have been, I believe that committee would quickly report back a bill with a yearly saving for at least 2 years of some \$125,000,000 yearly.

These two items alone would effect a saving of not less than \$300,000,000.

The Democratic Party is pledged to enact a beer bill; and this bill will provide additional revenue of not less than \$150,000,000 a year, which, together with the saving of more than \$300,000,000 will more than balance the Budget.

I trust that the members of the Democratic Party will not place the Democratic Party in the position of representing the privileged few at the expense and privation of the masses.

The suggestions I have offered I trust will be given serious consideration by our leaders and by them transmitted to President Roosevelt for his consideration.

In closing I again reiterate that it is impossible for me to vote for this bill without being placed in the position with my people of being a political coward and one afraid to face the issues which confront the country and which issues Congress alone is called upon to face and remedy.

Mr. Speaker, we hear a lot of talk about balancing the Budget. The Budget can be balanced by means which I have recommended to the Congress and to the leaders of this House. Place a tax on tax-exempt securities and you will quickly obtain the money to balance the Budget, with Wall Street contributing for a change instead of disabled veterans, who bared their breasts to the enemy on the field of battle. [Applause.]

There are plenty of ways of getting this revenue. We have heard references to that American flag up there [pointing]. I had the honor and distinction of carrying the American flag in my regiment as color sergeant in France in the One hundred and first Infantry of the Twenty-sixth Yankee Division. [Applause.] Never mind that; I am not looking for applause. I am just telling you that when men stand up here and point to the flag, as previous speakers have done today, and talk about balancing the Budget, I think of what

the big business men of the country told us when we went off to France. "Goodbye, boys, good luck, God bless you", they cried. "When you come back nothing will be too good for you."

And today they ask you to tear the hearts out of the disabled men by passing this bill. This is all I have to say. I cannot vote for the bill. [Applause.]

Mr. TABER. Mr. Speaker, I yield myself 7 minutes. I am going to first explain this bill a little bit so everybody who has not gone into it himself or had opportunity to do so will know something about what it is.

In the first place, it makes no definite change in the provisions for veterans except that it wipes out some of the presumptions.

Mr. JOHNSON of Oklahoma. Will the gentleman yield?

Mr. TABER. Not now. When I get through I shall yield. It provides that the President may, by regulation, change the provisions of compensations and pensions, and they are all going to be known as pensions, if this bill goes through, and not as compensations.

It provides that he may, by regulation, cut down these things and wipe out classes that ought not to be compensated.

The country owes a debt to its veterans. This debt is limited by the capacity of the country to pay, and we have now reached the point where we cannot pay what we did pay, and we must face the fact and get down to the point where we are balancing the Budget; otherwise we are going against the interests of the soldiers themselves. If we do not balance the Budget and get things on a sound basis, we are not going to be able to pay them what might be paid, unless the President shall put into effect every economy that can be effected as a result of this bill.

The same thing applies to the other end of it—the cut in the pay of civilian employees. The most that this could go to—and it is regulated by the cost of living—is 15 percent. Let me tell you that this is less than President Hoover presented to this Congress when it met the first of December.

We have got to the point in America today where, if we do not stand up to the rack and look out for our veterans and our civilian employees by sound economy we will not have any money to pay them. Let them now look after their own interests a little.

We have raised our income tax practically to the limit. Folks have no income. This is where the trouble is. They have no incomes, and they cannot be made to pay taxes on something they do not have. You know this in your own community and I know it in my community.

Frankly, when I come out in favor of this bill I am trusting the President, who was elected by the party which I have always opposed. [Applause.]

Mr. SIROVICH. Will the gentleman yield?

Mr. TABER. Not now.

I am supporting and trusting him with great responsibility, and I am doing it because we are facing a situation where America, if she is going to be sound, must take radical steps to make herself sound.

I implore the House at this time in its history not to quibble about abdicating powers, not to present a false situation with reference to the veterans, but to place America first and stand before the people with the thought that we have done our duty and have put our country first, and have saved our country, so that we can continue to pay the veterans such emoluments as the country and the Treasury can stand, and continue to pay our civilian employees fair compensation in view of the situation that we are in now.

It is not fair that we should run out on this situation. Frankly, with lots of people it is not popular. The path leads in two directions. On the one side there is the path of duty and on the other side there is the path of cowardice and political strategy. Frankly, in surrendering certain prerogatives of the Congress I believe that this bill points out the path of duty, and I shall choose the path of duty. [Applause.]

Mr. SIROVICH. Will the gentleman yield?

Mr. TABER. I yield.

Mr. SIROVICH. Will the gentleman be kind enough to explain the provision on page 13, section 4 (a), line 11?

Mr. TABER. That is an amendment to the provisions of the legislative appropriation bill and the provisions in the Treasury and Post Office bill passed in the last session, which is necessary if we are going to wipe out the furlough and institute in place of it the cut not exceeding 15 percent.

Mr. HARLAN. Will the gentleman yield?

Mr. TABER. I yield.

Mr. HARLAN. There has been considerable doubt about the 15 percent cut. Is that on the pay as it now exists or on the base pay prior to the economy bill?

Mr. TABER. I did not explain the situation as perhaps I ought to. This bill cuts off the furlough provision under which employees are furloughed for one twelfth of the time. It substitutes in place thereof, based on the salary existing at the time the furlough plan went into effect, a cut not exceeding 15 percent—based on the cost of living for 6 months prior to the 6 months it covers.

It is absolutely fair.

Mr. MEAD. The gentleman said that the cut was not exceeding 15 percent. That is true as to day work, but the night work is 5 percent in addition to that.

Mr. TABER. There is a little reduction in night work, but they got an extra bonus a little while ago.

Mr. McDUFFIE. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey [Mrs. NORTON].

Mrs. NORTON. Mr. Speaker and Members of the House, I want to say that I intend to support this bill. The bill, as I see it, is not a Democratic bill; it is not a Republican bill; it is exactly what it says—a bill to maintain the credit of the United States Government. I implore you from the patriotic standpoint, if for no other reason, to support this bill. We know that if the credit of the United States Government is not maintained there will not be money to pay the veterans or anybody else.

I yield to no man in my devotion to the cause of the veterans. I have voted for every bill to aid the veterans since I have been in Congress.

I do not consider that the problems contained in this bill should be measured by consideration of the veterans of the country or of any other particular class. It is a question that transcends all personal obligations to any class and concerns the whole population of the country as to whether or not we are to maintain our standard of government or become a bankrupt nation.

My dear colleagues, I sincerely hope that the time will never come when I shall consider my seat in Congress as against the Government of 120,000,000 people in this country. [Applause.]

I do not know whether my district will approve of the stand I am taking today, but I do know that 11,000,000 men and women who are walking the streets without a job, desperate and friendless for the past 2 or 3 years will approve it—the men and women who have been without hope and are looking with confidence and courage to the new President and the new deal.

The important question is, Are we going to stand beside the man in the White House who has had the courage to come out with a definite program, trusting in God and the American people to support him in that program? He has taken the responsibility. He has not asked us to take it.

The bill we are considering today is in no sense a partisan bill. It should be passed not because of its merit so much as because the man responsible for it—President Roosevelt—has asked us to cooperate with him in the gigantic task he has undertaken. The citizens of our country elected him with the largest majority ever given to a President, believing that he has the ability, desire, sound judgment, and humanity to lead a demoralized and heartbroken people. Can we as patriotic American citizens do less than support him?

We have seen many of our valued Members pass to the great beyond. I have no doubt that they are looking down on us today with a hope that we may be inspired to do the thing that is right and courageous in this emergency.

I implore you to stand by the leader in the White House and let him know by our vote that we have confidence in his judgment by passing his bill overwhelmingly today. [Applause.]

Mr. TABER. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. LUCE].

Mr. LUCE. Mr. Speaker, as a member of the Committee on World War Veterans' Legislation since its creation, I would speak to the House in the time allotted to me upon that phase of the subject alone. First, I would express my admiration, my profound admiration, for the remarks just uttered by the Member from New Jersey [Mrs. NORTON]. In her service on that committee she has, as she said, invariably stood for what the veterans desired, and that she should now sink her views on these questions and come out so honorably, so patriotically, for the program of the President of the United States should be an example to every man and woman in this House.

The credit of the country and the country itself is at stake in our action, and who here will dare put his individual fortunes against the will of the people of the United States and the welfare of the people of the United States? Who here will bow down to some single group in the community and say, "Because, perchance, you will be injured, therefore I will vote against the welfare of my country"? Indeed the welfare of the world may be at stake, for if by becoming bankrupt we wreck the fabric of our society, the Republic may perish and the ideals of human liberty that we exemplify may vanish from the earth.

To come back to the terms of the bill, I may point out, if you will forgive me, that this program bids fair to carry out the wishes and the hopes of a group of members on the World War Veterans' Committee, who all through its existence have tried to keep the laws within the bounds of reason, and who therein have failed again and again, because they could not get the support of a majority of the committee or a majority of the House itself. So I testify as one who knows, that if you desire to correct the abuses in this system, its inequalities, its injustices, you will not rely upon that broken reed, a committee of the House, or upon the Congress itself.

This is the only way in which this thing can be done. It is the only way we may hope to remedy the mistakes of all these years since the war. That there have been mistakes every man here knows. Within his own circle of acquaintances he knows of abuses of the law, he knows of men on the rolls who ought not to be there, of men who are getting more than justice demands.

I would I knew what the motion to recommit might be. I have heard it rumored that this is to be a proposal to shackle the hands of the President in some particular, to try on this floor to decide what details we shall take away from the President. I tell you, therein lies danger. If you change this bill in any one particular, you ruin all the moral effect of it; you destroy the hopes on the part of the people that we will follow the President in this juncture. You take away from them the dream that we are on the road out of depression, and you say that for self-interest you are unwilling to make this sacrifice for the public good. You indicate to them that their Congress does not deserve their respect, and so it will sink lower in the judgment of all thoughtful people who through these recent years have said we have not been able to save them from the distress in which they suffer. It is only, then, by voting down any motion to recommit that you can accomplish the purpose desired, not alone the saving of the dollars but the encouragement of the people in the belief that their representatives will stand by them now, and not for the sake of class or group or sectional interest destroy opportunity of help. So I beg of you to vote against every proposal looking to change, no matter what it may be. [Applause.]

Mr. McDUFFIE. Mr. Speaker, I yield 4 minutes to the gentleman from Texas [Mr. PATMAN].

Mr. TABER. Mr. Speaker, I yield the gentleman from Texas [Mr. PATMAN] 2 minutes.

THE PRESIDENT TRUSTED TO CUT COMPENSATION OF WAR VETERANS 100 PER CENT BUT ALLOWED TO CUT SALARIES OF MEMBERS OF CONGRESS ONLY 15 PER CENT

Mr. PATMAN. Mr. Speaker, ladies and gentlemen of the House, we have heard a great deal said about the financial condition of our country, about the deficit being about \$5,000,000,000 for the past 2 or 3 years. There are many reasons why I do not favor this measure in its present form. I will enumerate only a few of them in the limited time allowed. I invite your attention to the fact that if the railroads and the banks and the foreign governments and others that owe us were forced to pay us what they owe the Government today, our national debt would not be \$5,000,000,000 in all. No government on earth owes as little money as the United States Government. That is not a justification or a reason for unwarranted expenditures, but I make that argument to let you know that our Government is in really good financial condition, and in better condition than any other country. Suppose a private business should owe only \$1 for every \$80 of assets, after deducting from liabilities its good securities, it would be considered in fine condition.

UNCONSTITUTIONAL POWER

The question is, Are you going to make the railroads and the banks pay their debts to the United States Government, or are you going to effect economies by passing legislation of this kind which will destroy purchasing power of the masses? I supported the President of the United States long before the Chicago Convention. I have the utmost confidence in the President of the United States, and I am willing to leave any Executive function for him to perform, but I am not willing to delegate the authority of this Congress for him to pass laws and make rules and regulations inconsistent with existing law. It should not be done and is contrary to the Constitution of the United States. We were correctly taught in school that the Constitution divides our Government into three separate parts—legislative, executive, and judicial—Congress is supposed to pass laws, the President to execute them, and the judiciary to interpret them. This proposal gives the Executive law-making power. I am willing to vote for a reduction of 25 percent on all salaries, except the small ones, and on all pension claims except battle casualties, if it is shown that the economies cannot be effected in other ways where less injustice would be done. We should consider this bill in a committee.

MEMBERS OF CONGRESS GUARD THEIR SALARIES

In this bill I invite your attention to the fact that none of you knows all it contains, but you do know it contains a provision that a disabled veteran and widows and orphans of disabled veterans may have all of their compensation cut off. You are willing to risk the President to do that, but on your own salaries you are restricting the President to a 15-percent reduction. Remember this, also, my friends, if you are going to risk the President with everything, why not risk him on your own salaries, why not risk him on the Civil War veteran? [Applause.]

THREE CLASSES OF VETERANS

Let it be understood, too, that you have three classes of veterans—more than that, but I shall name these three as the most prominent classes—the Civil War, the Spanish-American War, and the World War veterans. Take the case of a veteran of the Civil War. He has a disability in no way connected with the service. He probably never did see real service during the war. During all these years he has received benefits because of a non-service-connected disability. Under this proposed law you are not willing to risk the President cutting him off. No, you say, under this bill that the President may cut his pension only 10 percent, and that is all the President can reduce his pension. A veteran may be disabled from disease and injury the same as by age.

PRESIDENT'S POWER LIMITED ON CIVIL WAR VETERANS

Under this act the President may reduce the compensation of Spanish-American War veterans 100 percent. The

World War veterans may be reduced 100 percent, but you protect the Congressmen and protect the Federal employees to the limit of 15 percent and Civil War veterans to 10 percent.

Mr. JOHNSON of Oklahoma. Will the gentleman yield?

Mr. PATMAN. I am sorry, but I do not have time now, but will yield for a brief question.

Mr. JOHNSON of Oklahoma. Is it not a fact that the widows of Civil War veterans are also protected, many of whom married veterans 40 years after the Civil War?

Mr. PATMAN. Yes. Some of those widows were born after the War between the States was fought, yet under this law which you are asked to pass they will continue to draw their pensions and compensations. You will not permit the President to reduce them more than 10 percent, although their deceased husbands died of disabilities in no way connected with their military service. Widows of World War and Spanish-American War veterans will have their compensation benefits eliminated entirely, when their deceased husbands suffered war injuries.

GAG RULE

Why the haste on this bill? Is this an emergency matter? We were not permitted to see this bill until an hour ago. It will be July 1 before this law can become effective according to its provisions. We cannot offer an amendment. Why not take a few days and a few hours and soberly and deliberately read this bill, consider its terms, and then in a deliberative way, in a deliberative body, pass legislation that you can defend and that you are in favor of? [Applause.]

MORGANS AND MELLONS

I will tell you some who will be protected by this bill. Before the World War Mr. J. Pierpont Morgan was financial agent for France and England, just as he is today. He had floated bonds in this country and loaned those countries an enormous sum of money; he was interested in the outcome of the war. He was interested in France and England winning that war. At the time war was declared against Germany by the United States, England and France owed Mr. Morgan \$400,000,000 that was unsecured. Then we were told, "Get into the war." And we got into the war. What happened? We waged Liberty-loan drives. The first Liberty-loan drive was successful, and the first \$400,000,000 that the people subscribed went to pay off Mr. Morgan for the money he had furnished to England and France that was unsecured.

MORGAN IN TROUBLE AGAIN

He got into trouble a while back, and again he came to the Congress and said, "Come to our rescue with a great Reconstruction Finance Corporation." Immediately the Government got behind such a movement. You voted to let them have \$2,000,000,000 of the Government's money. Who got that money? Mr. Morgan got the first money that was paid out. This Wall Street international banking group should be closely watched. The moratorium was granted foreign countries, which cost our Government a quarter of a billion dollars, so Wall Street bankers could collect their debts in full.

WHO WILL PROFIT?

I tell you now, my friends, Mr. Morgan, Mr. Mellon, Mr. Meyers, Mr. Mills, and Mr. Mitchell are the gentlemen who are profiting by such legislation as this. They will be saved income taxes. We are annually paying the New York bankers and other big powerful banking racketeers something like \$700,000,000 interest that should not be paid. That is a pure bonus. It ought not to be paid. But you are willing to cut off everybody else in order that such banking racketeers of this country may continue to get their bonus. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Texas [Mr. PATMAN] has expired.

Mr. TABER. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. ANDREWS].

Mr. ANDREWS of New York. Mr. Speaker, I have spoken but twice before from the well of this House. I am a Republican, and I am in the hands of my creditors.

It seems to me this is purely a case of one thing today, and it applies largely to the members of the Democratic Party, who have shown throughout the country that they have faith in President Roosevelt; it is a question of "fish or cut bait." I, for one, am willing to go along with President Roosevelt in the proposition which he has put up to the people and which we must act upon, regardless of whether I am ever reelected to this body again [applause], for I feel from the bottom of my heart, as Chairman McDUFFIE of this committee said, "This is an emergency." If you have faith today in Franklin D. Roosevelt such as you had in him on election day, you can well afford to put in his hands, in his decision, the question of how much and whom he shall cut. The country comes first. [Applause.]

Mr. McDUFFIE. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. GRIFFIN].

Mr. TABER. Mr. Speaker, I also yield the gentleman from New York 1 minute.

The SPEAKER pro tempore. The gentleman from New York [Mr. GRIFFIN] is recognized for 4 minutes.

Mr. GRIFFIN. Mr. Speaker, the presence of this bill here today under existing circumstances is, in a sense, a reflection upon the adequacy of democracy in times of stress, but notwithstanding my reluctance, as a Jeffersonian Democrat, to relinquish the powers committed to me as a Member of this House under the Constitution, I feel the occasion demands that the sacrifice be made.

With the war 12 years in the background we are now paying for war compensation and pensions \$946,000,000, out of a Budget of only \$4,000,000,000. In 20 years, if the system in practice today under existing laws is followed, we will be compelled to lay out \$4,000,000,000 a year. Everyone knows that there are irregularities and defects in the administration of the existing law. There are thousands on the rolls of the Veterans' Bureau drawing pensions and compensation they are not entitled to. Why not be frank enough to admit it? They are simply "ringers in." The Veterans' Committee, after months of labor, has failed to suggest a way of getting them off the rolls. In President Roosevelt we find a man willing to take the responsibility which Congress has ignored. Let us grant him that authority, let him take the responsibility. I am sure, with his record, with his experience and his well-known humanity and love for his fellow man, he will exercise the power with sympathy and discretion.

Mr. HOEPEL. Will the gentleman yield?

Mr. GRIFFIN. I am sorry, but I only have a few minutes.

There is no danger to be anticipated to the men who really made sacrifices in defense of our flag. I believe their interests are really safer in the hands of the President than they have been in the Veterans' Bureau. Let us take the bathos out of this thing. This measure does not threaten the veteran who is disabled. It does not menace the widows or the children of veterans who have been disabled. It gives discretion to the President to modify, qualify, reduce, amend, and change methods of administration in connection with the pension laws that have worked so unsatisfactorily in the past. In other words, it will take the graft and unfair discrimination out of veteran allowances, rationalize the distribution of the benefits and dispense even-handed justice to all who are entitled to consideration.

As to the salary cuts proposed in this bill, we are all taking our share, and it behooves every patriotic citizen to bear his portion with equal good grace. Surely it is not too much to expect of good soldiers to ask them to make some additional sacrifice, if called upon, in the same spirit of patriotism which distinguished their conduct in the stress of war.

Mr. TABER. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota [Mr. LUNDEEN].

Mr. LUNDEEN. Mr. Speaker, it seems to me this bill is too sweeping, too drastic, too dangerous. We were elected to function and perform as representatives of the people. We

were not elected to abdicate our powers to any man, no matter who he may be or how great he may be.

Let me quote the financial editor of the Washington Times of March 10, 1933:

RICH LINE EXILE NESTS WITH UNITED STATES GOLD

Gold earmarkings for foreign account on Friday, March 3, 1933, immediately preceding Roosevelt's inaugural, totaled \$109,000,000, the New York Federal Reserve Bank reports, an all-time record for a single day. This brought the estimated total so held on that date to more than \$438,000,000.

It is common knowledge in foreign-exchange circles that the bulk of this earmarked gold was for the account of rich Americans.

PANIC-STRICKEN PATRIOTEERS

Panic-stricken by their guilty knowledge that continuance of the Senate stock investigation must reveal scores and maybe hundreds of Mitchells and Bakers, great and small, patrioteers were busy feathering nests abroad for themselves in case they should find it advisable to follow the Insulls and the earlier Blackmar into exile.

Furthermore, it now is known that much of the recent alleged dollar raiding by wicked foreigners in Paris, Hamburg, Rome, London, and elsewhere actually was the sale of dollars by American patrioteers intent on building up for themselves foreign-currency balances in the capitals where they expected it might shortly be necessary to find domicile.

DEPOSITS RAPIDLY DRAINED

The latest statement of reporting Federal Reserve member banks holding only about 75 percent of the assets of all member banks and only a fraction of total banking resources of the country reveals the amazing fact that in the week ended March 1, 1933, the last before the Roosevelt bank holiday, deposits shrunk \$962,000,000, approximately 6 percent of the total.

Both demand and time deposits fell to new lows for recent years, and the total of loans and investments dropped to the lowest level in more than 6 years.

We have the spectacle now of seeing the rich swarming to Florida with their pockets lined with gold; with satchels and trunks filled with gold, filling the liners of the ocean in their ignoble exit to other countries.

Today they are seeking to escape the very thing they themselves have brought upon this country. Unable to cure the appalling situation that confronts us, they cowardly desert America for foreign shores.

The superrich, the big banks, the international bankers, the railroads received money whenever they wanted it, and they are arrayed on one side while the Federal employees and the veterans, and the rank and file of the people are arrayed on the other side. For years, those in power have loaned huge sums to Europe; giving moratoriums whenever requested, and cancellations by the billions, and I recommend the speech of the late Robert B. Howell, United States Senator from Nebraska, on the European-debt situation, delivered May 27, 1932. Like a voice from the grave comes the warning voice of the gentleman from Nebraska.

I do not hear anyone today talking about compelling France to pay her debt to us. France, in the language of her own financiers has practically no unemployed. France has an army of 650,000 men, the largest and best equipped army in the world, costing more than \$500,000,000 in cash for upkeep per year. France has the second largest gold reserve in the world; the largest military and naval aircraft force for war in the world; and is the second largest empire in the world; but I hear no one in this Democratic Congress saying that we should take the stand taken by that great Democrat, Andrew Jackson, who, when President of these United States, compelled France to pay; and those not familiar with Jacksonian statemanship will profit by reading carefully the story of this French-American war debt.

EUROPEAN DEBTS ALREADY CANCELED

Not so many months ago, European debts exceeding \$12,000,000,000, to be exact, \$12,090,667,000, were canceled, the debtor nations agreeing merely to help us out in paying interest on the money we had borrowed to loan to them. All they are paying is the equivalent of less than 2½ percent interest annually for 62 years on this more than \$12,000,000,000. Then they are through. We must pay the twelve billion without help, and also the difference between 2½ percent interest and the interest we are paying on the money we borrowed to loan to them. Our interest charges on the \$12,000,000,000 of bonds outstanding bearing the

highest interest rates have averaged \$500,000,000 a year, and there is no such thing as a moratorium for the American people.

All these debtors paid us in 1931 was \$235,000,000. In 1932 they were to pay \$247,000,000, less than one half the interest we must pay for them, but the moratorium granted by the Hoover government has also shifted this \$247,000,000 to our shoulders.

The net cost to the American people carrying these debts, from their dates of settlement up to the end of this moratorium, will exceed in interest alone the total payments of every kind and nature made by European debtors by more than \$2,365,000,000, enough to pay the entire adjusted-service certificates, the so-called "soldiers' bonus" for all our World War men.

No wonder a deficit has overtaken our Treasury, and no wonder these men who have plunged us over this precipice are shouting about deficit and about economy. What business have men to talk about economy who threw more than \$12,000,000,000 into the lap of Europe? And counting the loss of interest added to the \$12,000,000,000, the total is approximately \$15,000,000,000. What right have they to instruct us in economy? They squandered on the battlefields of Europe billions of dollars in a war to make the world safe for democracy, they said; and now they stand upon the floor and shout that the war failed and that we must never again enter into such a conflict, and that the war was a colossal blunder.

A NATIONAL FARMER-LABOR PROGRAM

Time and time again these words have been uttered on the floor, and yet the gentlemen who threw us into this European mess and who squandered the accumulated wealth of a century and a half are seeking to instruct us in the meaning of economy. Well, they will never be able to solve the problems we are facing now. We need a new crew on the job and we need new measures. This is the time for a Farmer-Labor program and a Farmer-Labor platform. The old parties have failed miserably, and their failure is becoming daily more apparent. Great Britain was finally forced to abandon the Conservative and Liberal parties and turn to a great Labor party. So America will be driven to build a new Farmer-Labor Party from coast to coast and from Canada to the Gulf to take over this Government and put into legislation such measures as the Frazier refinancing bill, whose author, BILL LEMKE, is a Member of this Congress; and I would like to lower the interest rate named in that bill from 3 percent to 2 percent, and I want to include in that bill the refinancing of mortgages on homes in villages, in cities, and in towns in America, as well as the homes of the farms. What thing is more sacred than the homes of the American people! The American home is the citadel of liberty. The American home must be preserved.

We have commerce within the borders of our 48 States of more than 90 per cent of all our business relations. We are guarded on the north and on the south by enormous ice caps; by small friendly nations on the south; the great Atlantic on the east; and the great Pacific on the west. We need fear no nation or combination of nations in this world. There is no excuse for the unlimited squandering of American money upon futile and foreign ventures.

I wish to call attention that Congress and those who were in authority took \$4,231,000,000 and handed it as a gift to France and gave her an interest rate of 2½ percent over a period of years. Then France is to be free and clear of all obligations, but we must continue to pay a doubly high interest rate, and the burden of the French taxpayer has been lifted across the Atlantic and engineered upon the backs of the American farmer and the American worker.

Oh, yes we have no money for the American soldier, and the postal employees, and the men and women in the Federal service. We must cut them right and left. We must give the President dictatorial power to slash right and left, but we have plenty of money for the foreigners and the kings and emperors across the ocean. What kind of Americanism is that? These folks who imagine themselves instructors in statesmanship, let them turn back to the Fare-

well Address of George Washington and read the greatest state paper ever written in American history—written and reviewed by George Washington, Hamilton, and Jefferson, great minds and great statesmen, men with vision. And I say here and now that "where there is no vision, the people perish." These men looked into the dim and distant future, and they foresaw the safe position of America in world affairs. They counseled us that we should trade with the world and be friends with the world, but never mix in their quarrels.

AMERICAN GOLD LOST IN THE BRITISH ISLES

We have kissed good-by to \$4,715,000,000—a gift to the British Empire, the greatest empire in the history of the world. More people live under the British flag, and there is more territory under the British flag, than under any other flag in all the history of the world. They have more undeveloped resources than any other nation that ever existed; more gold mines, more diamond mines, than any other country. The gold production of Canada every year is greater than that of continental United States; the gold production of South Africa is 4 times the gold production of continental United States; the British Empire produces, in round numbers, 5 times as much gold as the United States. Their diamond mines are unlimited; their navy is the greatest in the world. And we, who are too poor to pay our Federal employees—our postal men, who serve us in all sorts of weather, and our soldiers, who faced the storms of war upon the battlefields of Europe—we have money enough for the British King and the British Empire. And after we canceled all this, we let them have an interest rate of 3.7 percent, and the people of this Nation must make good the difference between that 3.7 percent and the amount of interest we are actually paying to those from whom we borrowed the money to loan to the British Empire. All of this burden—more than \$5,000,000,000—has been transferred from the British Empire to the backs of the American taxpayers, now groaning under the heavy burden they must bear.

An Associated Press dispatch from London, published in the Minneapolis Tribune March 9, 1933, quotes the announcement that an outlay of \$183,745,100 is to be made for the British Navy in 1933, an increase of \$10,611,000 over last year. There is a heavy new construction program providing for cruisers, destroyers, submarines, and other war craft. And this is one of the nations that we have been helping and financing along the road to universal peace, to make the world safe for democracy, while we forget our own. And remember, the Good Book says, "He who will not take care of his own first, is worse than an infidel."

CONSCRIPT WEALTH FOR WAR ON WANT

I point to my record standing on this floor on April 6, 1917, when I said:

Loan this money to Europe and show me the day when you will get this money back.

I protested then against these loans, and I warned the American people that we would need the money for ourselves, our men, women, and children, under our own flag.

I might go on indefinitely and talk about the enormous present we made to Mussolini and the Italian Government and to a number of other governments, running into billions upon billions of dollars. We have been very free with our moratoriums and loans. We do not talk in millions any more when we deal with Europe but we talk in billions upon billions. We have plenty of money for their kings and emperors.

Years ago, when the war was on, I stood on this floor and I said:

If you conscript men for war, conscript wealth for war.

You are now talking every day about the war on want; and if you have no money to meet that war on want, conscript the wealth of this Nation before it escapes into foreign channels on foreign ships to foreign lands, where these cowardly financial assassins are rapidly traveling. I say that the postal employee who in all sorts of weather serves the American public, the man in the Railway Mail Service, the

man who delivers us mail from house to house and on the rural-delivery routes, the man who toils long hours behind the desks in post offices—these men and women are Americans, and America comes first with me.

The men of the World War—that great army of 5,000,000—come first with me, and I am listening today to the voice of the Veterans of Foreign Wars; to the voice of the men of the American Legion; to the voice of the Spanish-American War veterans; to the voice of the men who wore the uniform in the Civil War; to the veterans of all Indian wars and other wars and expeditions; and they sound a warning to those in high position and authority.

MESSAGES FROM THE RANK AND FILE

Listen to this telegram which I have just received from a joint meeting of the delegates of all posts, Veterans of Foreign Wars of Minneapolis, signed by Kenneth A. Bixler, adjutant, and W. R. Ambrose, commander:

At joint meeting delegates of all posts, Veterans of Foreign Wars of Minnesota, held Minneapolis tonight, voted unanimously oppose granting of dictatorial powers to President, and are absolutely opposed cutting veterans' benefits; emphatically demanding our Government remain a people's government; that its defenders be not betrayed.

John Thomas Taylor, chairman of the legislative committee of the American Legion, appeared in opposition to the Roosevelt economy bill, giving the President wide powers to slash veterans' benefits.

The Federal Government—

He said—

can not carry on its rightful obligations to the disabled veterans and reduce their benefits by \$400,000,000.

He further says:

The founders of this Nation vested the responsibility in Congress for the enactment of laws. This bill would place this power in the Chief Executive so far as the veterans' legislation is concerned. Members of Congress may thus transfer their constitutional authority, but they can not transfer their responsibility for the results of such action. The Congress should recognize, however, that the bank crisis is not related to veterans' Federal costs. On the contrary, thousands of small banks in the West and South have been and are now materially aided by disabled veterans' Government checks. These checks average \$33.50 a month for 1,025,000 veterans of all wars, and are a source of money to thousands of small communities in distress. To withdraw them now would leave both community and veteran dependent upon State aid.

I have just been handed a wire signed by Joseph J. Seiberlich, Commander Bond Camp No. 9, United Spanish War Veterans, Minneapolis, which states:

Spanish War veterans of Minneapolis ask your assistance in maintaining Civil War pension policy for Spanish War veterans.

And another wire just given to me signed by the Marie Bond Auxiliary, of Minneapolis:

Use your influence to prevent the Spanish War veterans' cut.

And still another wire received just now, signed by Frank A. Howard, adjutant, Minneapolis chapter Disabled American Veterans of the World War:

Please consider exemption of service-connected cases of disabled veterans in Budget Director's reduction on economy. Service-connected disabled veterans represent men who were wounded and injured in line of duty and should be given every consideration for their services rendered in time of war.

And listen to a wire just received from Jerome J. Keating, president of Branch 9, National Association of Letter Carriers:

In view of the fact that measures have been taken to increase commodity prices, proposals for wage cuts of postal employees particularly unfair and unsound. Six hundred letter carriers of Minneapolis hope you will oppose this measure.

These messages from the rank and file of the men and women who are doing the work of the world and who are facing the barbed wires of want and destitution mean more to me than the solemn voices of international bankers that seem to wean Members of Congress from their plain path of duty. I know that when the campaign opens in 1934 the great newspapers of Minnesota and the great newspapers of America will sound their gongs on the war against

us who stood by the veterans and the Federal employees; but I rely upon these people to stand by us in the battle for justice and in the battle for right.

And I want to say to my friends, the Democrats in this House, that I wish to remind them of their platform on which they solemnly went before the American people in 1932 asking for their suffrage and for power. You Democrats stated in paragraph 6 of your platform for 1932:

We advocate an immediate and drastic reduction of governmental expenditures by abolishing useless commissions and offices, consolidating departments and bureaus, and eliminating extravagance, to accomplish a saving of not less than 25 percent in the cost of Federal Government.

And in paragraph 24 you pledged yourselves to a plank in your platform which stated:

We advocate the full measure of justice and generosity for all war veterans who have suffered disability or disease caused by or resulting from actual service in time of war and for their dependents.

Are these idle words? Are they promises and pledges such as were given to the farmers year after year by the Republican Party—platforms meaningless, merely to get the votes? Or were they solemn pledges to be kept? I remind you of your pledges. I ask you to stand by those pledges, and perhaps it might be well if you send the platform to the White House for the consideration of the Chief Executive.

Mr. Speaker, if I must choose between the kings and emperors, and the Mussolinis of Europe, France and her armies, Great Britain and her navy, the financing of one European nation after another, and our international bankers who know no country, who have no flag, and know no patriotism—if I must choose between these forces of evil on one side and our veterans and Federal employees on the other, I will take my stand with Americans. I am for America first.

Mr. McDUFFIE. Mr. Speaker, I yield 2 minutes to the gentleman from Kentucky [Mr. BROWN].

Mr. BROWN of Kentucky. Mr. Speaker, much has been said as to this being a battle between the veterans on one side and big interests on the other.

Mr. Speaker, I want the Membership of this House to know that I happen to be one of the veterans, and I want them to know that I speak as one without an interest.

There is one issue before us today and one only. Turn to page 4 of the bill and you will find that the President of the United States can make any change he deems equitable.

The question for us to decide is: Have we confidence in the President of the United States? [Applause.]

Not a solitary one of you on the Democratic side of this House came here on any platform other than the platform of a new deal. You did not think of that yourself. The President of the United States thought of that. He pledged you to support his program; and I may say to you that we are at war today, and the veterans of this country do not want you, in their name, to desert the standards of the President of the United States. [Applause.]

I had as soon start a mutiny in the face of a foreign foe as start a mutiny today against the program of the President of the United States. [Applause.] And if someone must shoot down, in this hour of battle, the Commander in Chief of our forces, God grant that the assassin's bullet shall not be fired from the Democratic side of this House. [Applause.]

Mr. TABER. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. BRITTEN].

Mr. BRITTEN. Mr. Speaker, for the benefit of the new Members of the House I should like to say that in a preceding Congress, when the gentleman from Alabama [Mr. McDUFFIE] was down here in the well of the House sponsoring an economy bill, I stood shoulder to shoulder with your Messrs. RANKIN, CONNERY, BLANTON, and others, during a hard-fought legislative battle, trying to prevent reductions in the lower brackets of Federal salaries. I thought that some other way could be found toward balancing the Budget

and promoting economies in governmental business. These same men are appealing to you today upon the theory that you are surrendering certain rights and powers to the President, but I am quite satisfied that were it not for the suggested veterans' legislation carried in this bill that they would be among the first to sponsor it and to call upon you to follow your President.

The rights and powers you are supposed to be surrendering today are unimportant when compared to your prerogatives and rights of the future when legislation of very great importance will from time to time come before the House for your consideration. Do not be deceived by them, my young friends. Agricultural relief, legislation affecting the industries, the national defense, interstate and foreign commerce, World War debts, all legislation of most important character, is still to come before this House under the present administration in its fight against the world depression which has destroyed, or nearly destroyed, every important nation on earth.

You are not surrendering anything but your confidence in your President. You are turning that over to him in the White House, as you should in this hour of turmoil and distress. The bill before us merely provides that the President may do certain things. Action by him is not mandatory.

We are going to pass economy legislation today in the interest of a balanced Budget, my friends, or we are not going to have it at all, for because of our legislative practice it is a physical impossibility, a political impossibility, to put through a real economy bill, and we might as well recognize that fact.

I have been endorsed by the veterans in my district, among whom I number my very dearest friends, and I have fought for them and their principles ever since the World War; and I have every confidence that President Roosevelt, who so overwhelmingly carried my district in the recent election, will treat them fairly, kindly, and with the utmost sympathy, as expressed in his message to the House on yesterday. Surely no man in our national political life has suffered greater physical affliction than the President himself, and this fact alone should bring about a vote of confidence in his proper treatment not only of the World War veterans but of veterans of other wars who are drawing pensions or retirement pay because of their glorious service to their country.

Every Member of the House who votes favorably on this bill does so, I am sure, in the belief that the President meant what he said in his message of promise and sincere good will toward the veterans themselves.

I am equally disturbed about the pay reductions of the postal employees, many of whom are working on shortened hours and whose pay envelope is hardly enough to keep body and soul together. Nothing has been said in their interests this afternoon, nor has anything been said in favor of the former enlisted personnel of the Army and Navy who are drawing retirement pay and have been drawing it for years. They are going to be cut also, in the wisdom of the President. Is anyone here defending them and suggesting that they should not be cut because they have a sound contract with the Government, probably entered into many years ago, and whose retirement pay in many, many cases is the sole income of an aged couple or even an entire family?

Mr. HOEPEL. Will the gentleman yield?

Mr. BRITTEN. I can not yield; I have not the time.

Of course, the national eye is upon Capitol Hill, and this great legislative body today, but what is even more, the ear of every important government on earth is held fast to the ground at this very moment, in far-off England, France, Italy, and Japan, to learn at the earliest possible moment whether or not this great Democratic legislative body will give its vote of confidence to the newly elected President. [Applause.] And with that vote of confidence goes American prestige, American credit, and American commerce. Undoubtedly our foreign exports will be benefited by your ac-

tion this afternoon in expressing confidence in the new President of the United States. [Applause.]

Mr. Speaker, the President told us on yesterday that—upon the unimpaired credit of the United States Government rests the safety of deposits, the security of insurance policies, the activity of the industrial enterprises, the value of our agricultural products, and the availability of employment. The credit of the United States Government definitely affects these fundamental human values. It, therefore, becomes our first concern to make secure the foundation. National recovery depends upon it. We must move with a direct and resolute purpose now. The Members of the Congress and I are pledged to immediate economy.

He said further, that—

such economies which can be made will, it is true, affect some of our citizens; but the failure to make them will affect all of our citizens. The very stability of our Government itself is concerned and when that is concerned, the benefits of some must be subordinated to the needs of all.

Mr. Speaker, the next sentence of the President's message is the one upon which I lay much stress and confidence in his future actions. He said:

If the Congress chooses to vest me with this responsibility, it will be exercised in a spirit of justice to all, of sympathy to those who are in need, and of maintaining inviolate the basic welfare of the United States. I ask that this legislation go into effect at once without even waiting for the beginning of the next fiscal year. I give you assurance that if this is done, there is reasonable prospect that within a year the income of the Government will be sufficient to cover the expenditures of the Government.

Democrats and Republicans alike must realize the necessity for immediate action. The President has called upon us and we must not fail him.

Mr. McDUFFIE. Mr. Speaker, I yield two minutes to the gentleman from Pennsylvania [Mr. SNYDER].

Mr. SNYDER. Mr. Speaker and Members of the House, this is my first privilege to appear before you. As a student of history and a teacher of history, I regard this the most momentous occasion that has taken place in these halls since the days of Abraham Lincoln.

Our Nation was never at such a critical point as it is this very minute—this very day. The thing you and I do here today to back up the thing we did 2 days ago (passing the banking bill) will, within 10 minutes after it is done, be flashed out to all the civilized nations of the world, and, as my good Republican colleague said just a few moments ago, it depends on what that flash will be as to what the immediate future of our country will be.

I come from a district, Mr. Speaker, out in western Pennsylvania where they are listening in, if it is possible.

Fifty percent of all the 400,000 people in my district who sent me here are on relief. Our people want relief from part of the burden of taxation they are now bearing. They want an opportunity to go back to work, and I believe that this bill embodies that opportunity.

My people sent me here because they had faith in the President of the United States; and I am here to support that faith. I received fully 50 percent of the votes of the veterans of all wars. They voted for me because I stood on the Roosevelt platform. They voted for me because I said I would stand by the President and the administration, and I know the great majority of them expect me to stand by him on this momentous measure which is before us today.

There is nothing in this bill that takes anything away from the soldier boys. I would not vote to take anything from the soldier boys that was not for the common good of all.

I am for the bill because I believe that in the long run it will add to the security and the safety, not only of the other measures involved, but also to the soldier measures pertaining to pensions and compensation.

If this were a permanent measure we should not pass it, but it is a greater emergency measure than the one Congress passed in 1917 giving President Wilson unlimited powers relative to preparation and conducting the World War.

My colleague from New York [Mr. SNELL] said on Thursday, when we were discussing the banking measure, "The house is on fire." He stated the truth, and today the flame is larger than it was that day.

This Seventy-third Congress here in session this afternoon is going to smother this fire. Nero fiddled while Rome burned—but, my fellow Members, we are not going to fiddle and fool and let some thirty million men, women, and children back home walk the streets freezing and hungry. We are going to pass this bill and show not only our people, but the world that our institutions can and will function.

Mr. TABER. Mr. Speaker, I yield three minutes to the gentleman from New Jersey [Mr. LEHLBACH].

Mr. LEHLBACH. Mr. Speaker, early in the afternoon the gentleman from Alabama [Mr. McDUFFIE] said our house is not in order. The other day our minority leader [Mr. SNELL] said that the house is on fire. I agree with them.

Private credit has collapsed, and an increasing deficit makes inevitable the impairment of public credit. The mere expansion of currency will not remedy the situation. The Budget must be balanced. In the present condition it is impossible to raise money sufficient to meet current expenditures by taxation. Our experience for a year and a half has shown us that it is impossible to effect substantial reductions to the needed extent by congressional enactment. So what can be done? The President of the United States, with a mandate fresh from the people, offers to make the necessary reduction which, with a tax on beer, will balance the Budget in 1934, and the President asks for the power necessary to do this. His will be the responsibility.

I do not care how many Democrats run out on him, I am going to support him and vote for this bill. [Applause.]

Mr. McDUFFIE. Mr. Speaker, I yield 4 minutes to the gentleman from Tennessee [Mr. BROWNING].

Mr. BROWNING. Mr. Speaker, I am unwilling for this sweeping provision that I consider a slaughter of the disabled service men of the United States to pass without protest.

The argument has been made that the President is going to be fair, and I am the last one in the world who would impugn his motives.

There are several different classes adversely affected here that ought to have consideration.

In the first place, this is going to wipe out every presumptive service connection, and this means that the presumptive tubercular boys are going to have to go. This means that those that are on \$50 a month, who have had the patience to make the fight to reach an arrested condition and have hanging over them the sword of Damocles of reactivation, will have to go back to work and break themselves down again.

Mrs. NORTON. Will the gentleman yield?

Mr. BROWNING. I have just 4 minutes.

This means that these boys who undertook to make the fight alone, without any aid from the Government until their witnesses were gone and their proof absolutely destroyed and then came forward and asked the Government for \$12 a month, are going to be cut off because they are under a disability allowance, and we need not fool ourselves about it. All the presumptive cases and all the disability-allowance cases are going to be discontinued at once. I think this is the meaning of the proposed law.

Mr. McDUFFIE. Will the gentleman yield? The gentleman does not want to indulge in a misstatement.

Mr. BROWNING. I think that is the meaning of the law.

Mr. McDUFFIE. That is not in the bill.

Mr. BROWNING. The power is there and the gentleman knows it is there. [Applause.]

Mr. McGUGIN. Does the gentleman think his President will do that?

Mr. BROWNING. I think the President will exercise all the power he has asked for in this bill. [Applause.] There would not be any need of his asking for it if he did not expect to exercise it.

He guaranteed he was going to reduce the Budget, and I support him in that. I was permitted to work for his election, and I guaranteed that he was going to be fair to these disabled men. You say the interest on bonds to fight the war must be paid, and you demand that the men who fought

during the war must raise the interest, must give up every cent in the interest of these bondholders, regardless of the sacrifice they made on the common altar of our country.

I am afraid the House has forgotten all moral obligation to these men. To me it is as strong as our written word to pay interest on bonds.

Mrs. NORTON. Has not the gentleman faith in his President?

Mr. BROWNING. Yes; I have faith in the President, but I know what he is going to do. He is not trifling with this House. He has asked for this authority, and if he did not mean to use it, what would be the sense of his coming here and asking for authority to do it? [Applause.]

We pledge to cut 25 per cent of the National Budget. Why not be equitable and take this off in all places? Why pick on cripples? This morning a Democratic caucus voted 174 to 112 to adopt an amendment to this bill to confine cuts to 25 percent of benefits now being received. I felt that as the author of that amendment I should have been recognized to offer it as a motion to recommit. This privilege is denied me for reasons best known to those in charge. I can vote for the bill if given a chance to submit to the House that proviso, which is as follows:

Mr. BROWNING moves to recommit the bill to the Economy Committee with instructions to report the same back forthwith, with the following amendment: On page 10, after line 9, add the following paragraph:

"Sec. 19. Notwithstanding any of the provisions contained in this title, under the authority herein granted, in no event shall the compensation, disability allowance, or pension of any beneficiary be discontinued or reduced more than 25 percent of the amount thereof, except for fraud, glaring error, or proof of a diminution in the degree of disability."

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

- S. 148. An act for the relief of Agnes M. Angle;
- S. 149. An act for the relief of Daisy Anderson;
- S. 150. An act for the relief of W. H. Hendrickson;
- S. 151. An act for the relief of the Holy Family Hospital, St. Ignatius, Mont.;
- S. 152. An act to authorize the Secretary of War to grant a right of way to the Alameda Belt Line across the Benton Field Military Reservation, Alameda, Calif.;
- S. 153. An act to convey certain land in the county of Los Angeles, State of California;
- S. 154. An act confirming the claim of Francis R. Sanchez, and for other purposes;
- S. 155. An act for the relief of A. Y. Martin; and
- S. 156. An act providing for an exchange of lands between the Colonial Realty Co. and the United States, and for other purposes.

MAINTENANCE OF CREDIT OF THE UNITED STATES GOVERNMENT

Mr. TABER. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. Mr. Speaker, in common with the great majority on this side, I shall vote for this measure as the only way given us to save the credit of the Nation. I want it fully understood, however, that if this side of the aisle were in power there would be proper hearings before the Ways and Means Committee and this dreadful operation would not be necessary.

I wish to remind you, too, that the veterans expressed dissatisfaction with our previous President and that in November last the large majority supported the Democratic candidate, now President. They should therefore have faith in him.

For the soldiers of the Spanish War who received little recognition for many years and were just beginning to get their just deserts I want to say that I am sorry for them and wish that it were within my power to do something to prevent possible injury to them under this act. [Applause.]

Mr. McDUFFIE. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. DUNN].

Mr. DUNN. Mr. Speaker, I am for the soldiers 100 percent. May I impress this on you gentlemen: that the new Members have not had an opportunity to study this bill. I do not doubt that every Member of the House is willing to support the President, provided the President will give the men representing the soldiers a bona fide guaranty that he is not going to take the small amount that they now receive away from them. [Applause.]

Mr. TABER. Mr. Speaker, I yield to the gentleman from Kansas [Mr. McGugin].

Mr. McGUGIN. Mr. Speaker, we have heard much here today that the way to solve our present distress is by more and more inflation. We have heard some criticism of the Reconstruction Finance Corporation. In much of that my personal record in this House is in full accord. I voted against the Reconstruction Finance Corporation both times upon the theory that a government which was so much in debt should not furnish money or credit to private enterprise. I say to you that the very argument against the Reconstruction Finance Corporation is an argument in favor of this bill today. Granting that the Reconstruction Finance Corporation is a wrong, still you cannot make a right out of two wrongs.

We hear it said that we need some inflation. I can go along in part with that, but the very last thing that I want is too much inflation in this country. Rest not in the vain delusion, my friends, that there is going to be any trouble about getting enough inflation. The problem before this country will be to prevent too much inflation. The Government for 3 years has been spending more money than it has been taking in, and it has been borrowing that money from the banks of the country. This Government has carried on, pensions have been paid for 3 years, salaries have been paid for 3 years, largely by money borrowed from the banks of this country on short-term securities.

Now the banks are closed. The sources of credit from which we have been drawing for 3 years are no longer at hand, and when the time comes when a Government cannot receive enough money by taxation and cannot borrow money there is just one way to meet its obligations, and that is to print money. When you draw your pay check next month a good part of that pay check will be outright inflation. A good part of the money this Government spends during the next year and until such time as its Budget is balanced will be outright inflation. If we go on and do not reduce the expenses of the Government, that means more inflation, and I can see a situation where we may have so much inflation that the dollars which we pay to the veterans may not be worth dimes. Those of you who are advocating unbridled inflation as a means to solve this problem are advocating a greater reduction for veterans than would ever be carried out in this bill. There may be no reduction in the dollars given them through inflation but there will be a reduction in the amount of clothing and food the veterans will be able to buy with the money you pay them, and that thing can be carried too far.

You speak about this bill being "our bill." Mr. Speaker, this bill is the bill of the President of the United States—Franklin D. Roosevelt. He sent this bill to Congress, and I am glad to know that the committee of which I am a member, 3 Democrats and 2 Republicans, had the courage and the loyalty of purpose to say that country comes first; and that if this is the bill that he wants—then, Franklin D. Roosevelt, we are going to hand it to the House as you handed it to us. [Applause.]

Personally, I do not like this bill. I do not like the sad conditions which grip the land and which caused the President to ask for this bill. To say that I like this bill would be for me to say that I like the depression and the human misery throughout the country.

Why did the President send this bill to Congress? He sent this bill to Congress for the reason set forth in his message yesterday. Let me say to you that the message the President sent to this Congress yesterday is one of the greatest state papers that has ever been sent to Congress by any President. [Applause.] I dare say that when his-

tory is written, that message sent to Congress yesterday will be the outstanding paper that will have been sent to Congress by Franklin D. Roosevelt during his tenure of office, because it was statesmanship and it was courage. Let me read to you the reasons he gave for sending it:

For 3 long years the Federal Government has been on the road toward bankruptcy.

Thus we shall have piled up an accumulated deficit of \$5,000,000,000.

Upon the unimpaired credit of the United States Government rest the safety of deposits, the security of insurance policies, the activity of industrial enterprises, the value of our agricultural products, and the availability of employment. The credit of the United States Government definitely affects these fundamental human values. It therefore becomes our first concern to make secure the foundation. National recovery depends upon it.

Too often in recent history liberal governments have been wrecked on rocks of loose fiscal policy.

Yes; Greece went on the rocks within a week or so because of a loose fiscal policy. The German Republic went on the rocks recently because of a loose fiscal policy. The President uttered an eternal truth when he said that "liberal governments have been wrecked on the rocks of loose fiscal policy." I ask you, Are you going to let the liberal Government of the United States go on the rocks because of a loose fiscal policy? To quote further from the President's message:

We must avoid this danger. It is too late for a leisurely approach to this problem. We must not wait to act several months hence. The emergency is accentuated by the necessity of meeting great refunding operations this spring.

We must move with a direct and resolute purpose now.

Here is the way he says that we must move:

I am asking the Congress today for new legislation laying down broad principles for the granting of pensions and other veteran benefits and giving to the Executive the authority to prescribe the administrative details. * * * I request also the enactment of legislation relating to the salaries of civil and military employees of the Government. * * *

Such economies which can be made will, it is true, affect some of our citizens; but the failure to make them will affect all of our citizens. The very stability of our Government itself is concerned, and when that is concerned the benefits of some must be subordinated to the needs of all.

When a great danger threatens our basic security it is my duty to advise the Congress of the way to preserve it. In so doing I must be fair not only to the few but to the many. It is in this spirit that I appeal to you. If the Congress chooses to vest me with this responsibility, it will be exercised in a spirit of justice to all, of sympathy to those who are in need, and of maintaining inviolate the basic welfare of the United States.

I ask that this legislation go into effect at once without even waiting for the beginning of the next fiscal year.

Let me ask the Democrat Membership: Are you going to take the bill, or are you not, when your President tells you that your Government is going on the rocks and asks you for power to save it? We hear it said that the veteran will not be dealt with fairly. This bill in and of itself takes nothing away from any veteran save and except 10 percent from Civil War veterans and the right to appeal to the courts on certain insurance policies. That is all that is taken away from any veteran in the bill. But the power is given to the President by rules and regulations to decrease compensation and pensions by classes. Are you Democrats afraid to trust the President? Let me repeat again what he says:

If the Congress chooses to vest me with this responsibility, it will be exercised in a spirit of justice to all, of sympathy to those who are in need, and of maintaining inviolate the basic welfare of the United States.

There is the solemn pledge of the President. I did not help elect him. You Democrats elected him. I have confidence in his solemn pledge. Have you? I believe the veterans of the United States have confidence in his solemn pledge.

Some 16 years ago another great President sent his message to Congress and asked much of those of my age. Four million came forward and served their country in an hour of peril. Today, when another great President says this country is in a crisis, that it is going on the rocks, and that

President asks a contribution from those same men, I have not the slightest idea but that they will grant it. He does the veterans wrong who thinks they have not confidence in the President of this country to carry this country through safely in this great crisis and yet deal fairly with the veteran. He does the veterans wrong who suggests they are not willing to sacrifice for the common good. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Kansas [Mr. McGugin] has expired.

Mr. McDUFFIE. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. McFarlane].

Mr. McFARLANE. Mr. Speaker, as a new Member of Congress, representing the Thirteenth Texas District, I want to appeal to your sense of fairness to allow such legislation as this to go to the Veterans' Committee and other appropriate committees, where it can be carefully considered and where a bill can be worked out that will be fair to all concerned. The veterans do not ask any special favor. They only ask common justice. The veteran offered his all on the altar of his country when he served in the different wars. He is certainly entitled to some consideration today, more consideration than is being given in this bill now before you. I plead with you to consider the rights of the veterans who will be cut off if this measure is enacted into law under gag rule. [Applause.]

The SPEAKER pro tempore. The time of the gentleman from Texas [Mr. McFarlane] has expired.

Mr. McDUFFIE. Mr. Speaker, I yield 1 minute to the gentleman from Mississippi [Mr. Colmer].

Mr. COLMER. Mr. Speaker, as an ex-service man first, and above that as an American patriot, I want to uphold the hands of the President of the United States in this emergency. [Applause.] I realize fully that the country is in a state of war now, a war against the tragic economic conditions of the country. I realize fully the gravity of the situation and that this country cannot exist much longer unless drastic steps are taken to remedy the existing situation. But I want to appeal, to request, to beseech, to urge those in charge of this legislation, out of a sense of fairness to those who defended their country when it was beset by a foreign foe, to give to the gentleman from Tennessee [Mr. Browning] an opportunity to present his amendment to the bill, which he will presently seek to offer, under the provisions of which in no case shall the compensation of World War veterans and Spanish-American War veterans be cut more than 25 percent. If the House does not want this amendment, it can vote it down. We submit that under our obligation to the defenders of the country and its institutions in time of war that those of us who have the interest of the cause of the veterans at heart in this House should have an opportunity to vote on that amendment. [Applause.]

Mr. McDUFFIE. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. Dies].

Mr. DIES. Mr. Speaker, this is no time to hesitate, no time to procrastinate. It is time to act. The Commander in Chief of this Nation, to whom millions of our distressed and unhappy citizens are looking for immediate relief, has summoned us to action. Shall we at this time of great emergency, when the perpetuation of the very Government itself is at stake, follow the President of the United States, who was elected by an overwhelming majority, or shall the Democratic Party by its vote register the fact that it does not have confidence in his sincerity, his intelligence, and his love of the ex-service men of this country?

I voted against the moratorium and I voted against the Reconstruction Finance Corporation, but this House passed both measures. Those are things of the past. We are now confronted with a grave emergency. I cannot understand this talk about veterans not being willing to cooperate with the Government of the United States in this moment of peril. These men who sacrificed themselves willingly and unselfishly upon the altar of this great country, and who did not fear to bare their breasts to shot and shell, will not be opposed to a fair and equitable revision of the veterans' laws to eliminate unnecessary expense and undeserving cases. We are engaged in another great war today—a war against

want, hunger, and unemployment, that are threatening to undermine our economic and financial stability. The casualties of this great economic war are the 13,000,000 men and women who are unemployed, a million farms sold at public sale under mortgage foreclosure and for delinquent taxes, six or seven thousand banks closed which will not open again, and a bank holiday in every State in the Union. In the midst of this economic upheaval, when our patriotism, intelligence, and courage are subjected to the supreme test, it is right that we should borrow from the past the faith, courage, and idealism that gave to the United States her freedom and to history a new galaxy of illustrious heroes. When German imperialism sought to extend its despotic sway over the world, our stalwart soldiers rallied to the battlecry of the Republic and plunged fearlessly into the mad whirlpool of blood and destruction. To save the world from the sumptuary sway of a military martinet which, having enthralled the moral, intellectual, and political life of Germany, sought to fix its greedy talons upon the domains of the United States and other nations, the heroes of 1918 fought and died and dedicated themselves upon the altar of their country. By reason of their undaunted courage and heroic valor they saved the world from German imperialism. When their commanders ordered them to advance, they did so with implicit confidence in the sincerity, intelligence, and patriotism of their leaders.

In this dark hour we must turn once again to their idealism and faith for inspiration and encouragement, and from their illustrious examples we must seek guidance and courage.

In the midst of this great conflict our Commander in Chief has urged us to grant him these emergency powers. He has solemnly warned us that this Nation, with its tremendous deficit of five billions and its revenue falling behind its expenditures several million dollars a day, and with the total revenue from income taxes, individual, and corporate combined not sufficient to cover all the costs of the Veterans' Administration services for the 12 months just ended, is headed towards bankruptcy. He has said that, in the interest of all the people, it is imperative that he be clothed with these discretionary powers. He has assured us that the authority conferred by this bill will be exercised by him with justness, humaneness, and utmost regard for all deserving veterans, their widows, and children.

The President has made it clear that this bill is merely a part of a general program of retrenchment and drastic reductions, that the veterans are not being singled out, but that the ax of economy will fall upon every Department, Bureau, and governmental activity alike.

During the campaign I delivered a number of speeches in behalf of the Democratic Party throughout New York, Delaware, and other States. I pledged my support of the President and the platform. I promised to cooperate with him in every possible way in the program to restore this country to normal prosperity. This is one of the first emergency proposals that the President has urged upon us. Acting upon the assurances that he has given us that these emergency powers will be exercised in the interest of all deserving veterans, and believing that any injustices that might develop in the operation of the law will be promptly corrected by the President and the Congress, I shall cast my vote in favor of this measure.

Mr. McDUFFIE. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. Rayburn].

Mr. RAYBURN. Mr. Speaker, it lacks 1 month being 20 years since I became a Member of this House. I am now serving under the fifth President. In every great emergency that has faced this country from that hour until now, I have upheld, without stint, the recommendations, and have followed the leadership of the President of the United States. [Applause.] Many of those emergencies were not as great as the emergency that now faces our unhappy country. The question today is not what would be my program for saving the credit of the Nation and to start it on the way to recovery. My program, your program, is not here, but the program of the man to whom the people

of the United States are and must be looking today is before the Congress, and what are we going to do with it? Are we going to send word to the people of this country today, who are looking to this Capitol, looking to this man for leadership, that we have refused to give him the instrumentalities with which he can meet the emergency with which we are faced?

Fifteen years ago a great leader came before this House and asked us in a great emergency, when the world was aflame with war, to give him authority to amass the man power and the money and the resources of the Republic to fight a common enemy. We gave it to him, and those of us who gave it to him have been proud from that hour until now; and I may say, incidentally, that those who followed leadership then, those who submerged their personal and many political views are the ones who are still remaining in the Congress because in that emergency we followed the leadership of the President, gave him power and authority to spend money and might, and those of us who today refuse to give this President power and authority to meet this emergency will, in my opinion, live to regret it. [Applause.]

[Here the gavel fell.]

Mr. McDUFFIE. Mr. Speaker, I yield 5 minutes to the gentleman from Virginia [Mr. WOODRUM].

Mr. WOODRUM. Mr. Speaker, at the outset I would like to clear up unmistakably one point of this discussion, especially for my Democratic colleagues. Let no man be under misapprehension about whether or not the President wants this bill passed! This bill was framed by the President of the United States. He may have had the benefit of legislative counsel, but he knows its every paragraph, its every provision, and the utmost of authority that it will give him. Franklin D. Roosevelt, to whom the people of America are looking today to guide them out of this crisis, is the man who is standing yonder asking his Congress and asking his Democratic friends in Congress to give him the power to carry out the pledges he has made to the people of America.

I want to pay my compliments to the men on the left-hand side of this House for their splendid patriotic purpose in standing up and supporting this legislation that a Democratic President asks. [Applause.] Our two colleagues on this committee, the gentleman from New York [Mr. TABER] and the gentleman from Kansas [Mr. MCGUIN] said, "Yes; by all means do what Franklin D. Roosevelt wants"; and I say to my friends, it is unfortunate that some opposition has developed on the Democratic side today to giving Roosevelt a free hand in this emergency.

Now, let me say this to you new Members: You may stay here many years, but you will never cast a more important vote than you will be called upon to cast when you answer the roll call in a few moments; and may I remind you again—and properly so, I think—that when the CONGRESSIONAL RECORD lies on the desk of Mr. Roosevelt in the morning he will look over the roll call and from that he will know whether or not the Members of his own party were willing to go along with him in his great fight to save the country.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. Not right now.

Mr. MAY. I want to ask him if he means that as an Executive threat to the House of Representatives?

Mr. WOODRUM. I do not mean it as any Executive threat.

Mr. SIROVICH. Mr. Speaker, will the gentleman yield?

Mr. WOODRUM. I yield.

Mr. SIROVICH. The gentleman does not want to convey to the House that he is speaking for the President of the United States.

Mr. WOODRUM. Certainly not. I am speaking for myself. I do not see how anything I have said could be misunderstood by this body.

Mr. KELLER. It will not be.

Mr. WOODRUM. There is not a Democrat here who does not understand what I mean, and I repeat that this vote is a testing time of us Democrats as to whether or not we are going to back up the President in a crisis. That is what I mean. [Applause.]

And I say it over again, that when you cast this vote you are casting one of the most important votes you will cast if you stay in Congress until the crack of doom, because it will show whether or not we in Congress are willing to submerge our own individual opinions and follow a great leader whom the people of America have selected to lead them out of this crisis. [Applause.]

Let me ask this: Who has a right to say that Franklin D. Roosevelt will not deal kindly, gently, and sympathetically with the disabled soldier? In God's name, if a man ever lived, if a man ever occupied a place of authority who is in a position to have his big heart go out in sympathy to the men who are disabled and who are down and out, who have suffered and who are in trial and tribulation, it is the man who now sits in the White House. As far as I am concerned, I am willing to trust the President to deal kindly, gently, and justly with the veterans that I represent. [Applause.]

Mr. Speaker, I yield back the balance of my time.

Mr. McDUFFIE. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, either in this House or out of it, I have never been a rubber stamp. I have always done my own thinking. I have always done my own voting. I have never had anyone over me who could give me orders. I have never recognized the voice of any master.

But during the period of the World War, Mr. Speaker, the President of the United States was the Commander in Chief, and I gave him my loyal support, and without question or hesitation I voted for every measure he requested and which he said was requisite and necessary to bring that terrible war to an early and successful termination.

We are again facing a crucial period fully as menacing and dangerous as that of war. In such a crisis the people of the United States selected their own Commander in Chief. President Franklin D. Roosevelt is not only the chosen leader of the National Democratic Party, but he is the duly commissioned leader of this Nation. The people have confidence in his wisdom. They have faith in his intelligence. They rely upon his sympathy and understanding. In his policies they have placed their hopes. The people fear no injustice. They expect this Congress to open up the way and make it possible for the President to put into execution his promises and his policies.

During my entire service in Congress I have been a loyal, active, dependable friend of the veterans of all wars. I have been one of those here who have insisted on fair treatment's being accorded to our Spanish-American War veterans. I have helped them to get their deserved increases. I have given their cases my personal attention. I have gone to the mat for them. I am still their friend. I am assured that the President does not intend to do them any injustice. I am convinced that he has their problems close to his heart.

My record of service to the disabled veterans of the World War is known to every American Legion post in the United States. I have given to them unstintingly my time, money, and attention. Not one of them has ever called upon me in vain. In their behalf and at my own expense I have made investigations of many hospitals and regional offices. I have forced many injustices against them to be corrected. I have overhauled for them many rotten bureaus and officials. My personal check-up of the old Hospital No. 25 at Houston years ago forced several hundred veterans, then fast dying with tuberculosis, to be transferred to El Paso, Prescott, and Fort Bayard, at which places many fully recovered. When I impeached Col. Frederick A. Penning for robbing hundreds of shell-shocked soldiers, the evidence I gathered and presented against him when we tried him before the Judiciary Committee forced him to resign, and I paid all of the enormous expenses of my said investigation of him out of my own pocket. My House Joint Resolution 355 in the last Congress forced Maj. William Wolff Smith to resign, after the evidence I accumulated against him had been presented in his trial before the Military Affairs Committee; and for months a special joint committee has been investigating the many inequalities, inequities, and items of administration waste and extravagance depicted and set forth in detail in my said

Resolution 355. I have voted for every measure that has been passed by Congress in the interest of veterans of the World War, their widows, children, and dependents. I mention the above matters to show that I have been the loyal friend of war veterans, and I am still their dependable friend.

I voted to pay them their adjusted-compensation certificates in cash, because I believed same was a just debt due them by the Government. I am still in favor of the Government's paying these certificates. I believe that a way will be found in this Congress to pay them.

This measure now before us is no ordinary bill. It is one specially prepared by the President of the United States. He sends it to us. He tells us that he needs it. He admonishes us that it is a part of his program. It is a part of his policy. In his message Thursday the President said:

The Members of the new Congress will realize, I am confident, the grave responsibility which lies upon me and upon them.

And he then called to our attention the fact that he would send us this bill which he regarded as of "immediate urgency" in his program of "national restoration." Does anyone here contend that our brave veterans of the World War are not supporting their President in this hour of his "grave responsibility"? Does anyone here intimate that Congressmen will be unfriendly to veterans if they support the President of the United States?

On many occasions I have proven my loyal friendship for the postal employees of this Government. Does anyone here contend that we would be unfriendly toward postal employees by supporting the President? Are not the postal employees solidly behind the President in his efforts toward national restoration?

In this crucial hour every American must be willing to make sacrifices. As a Member of Congress, I am willing to bear my part. This bill of the President's will cut congressional salaries \$1,500. I am willing to cut them deeper than that. My pending House Joint Resolution 7, which was House Joint Resolution No. 344 in the last Congress, proposes to cut all of the high-salaried positions down to a maximum of \$7,500. Expenses of Government cannot be reduced without cutting salaries materially. The President has admonished us that he has inherited an accumulated deficit of \$5,000,000,000. It must be financed. Unless we balance the Budget there will come a time when no salaries can be paid. It is to the interest of all that we support the President in his program of national restoration.

I am assured that no disabled veteran of the World War need fear any injustice at the hands of President Franklin D. Roosevelt. I have confidence in our Commander in Chief. I believe in him. In this present crisis on his program of national restoration I intend to back up the President 100 percent, and I am as great a friend of the veterans as there is in this House. The veterans here know that I have helped them in every part of the United States. The veterans of my district, loyal patriotic Americans they are, want me to back the President. I am not afraid of the President's doing them an injustice. That is the last thing that is in the heart of the President. His heart beats sympathetically for every veteran of every war. He is going to see to it that they get justice, and I am with him. [Applause.]

Mr. McDUFFIE. Mr. Speaker, I yield 1 minute to the gentleman from Washington [Mr. SMITH].

Mr. SMITH of Washington. Mr. Speaker, the assertion has been made by a number of gentlemen that the bill under consideration is a fulfillment of the pledges and promises that were made by President Roosevelt and the Democratic Members of this House during the last election. I would, therefore, like to read two paragraphs in the Democratic platform which was adopted at the Chicago convention:

We advocate an immediate and drastic reduction of governmental expenditures by abolishing useless commissions and offices, consolidating departments and bureaus, and eliminating extravagance, to accomplish a saving of not less than 25 per cent in the cost of Federal Government.

Not a word about reduction or curtailment of the compensation or benefits being paid to veterans in service-connected disability cases or otherwise, not a word about re-

pealing the present laws or the pensions being paid to the veterans of the Spanish-American War. The paragraph which sets forth the pledge and promise we made as to what our policy would be toward the veterans, and upon which the veterans and the people had the right to rely, and undoubtedly did rely, when they elected us, reads as follows:

We advocate the full measure of justice and generosity for all war veterans who have suffered disability or disease caused by or resulting from actual service in time of war and for their dependents.

The question that at once suggests itself to our minds is this: Why are the veterans of our wars, their widows and dependents, singled out and made the object of attack in the first economy measure that is proposed to the Congress?

Why not first make "the drastic reduction of governmental expenditures by abolishing useless commissions and offices and consolidating departments and bureaus," as pledged in the platform? Then, after having done that, it would be time to consider the necessity of reducing the compensation being paid to the veterans 25 percent, as contemplated in the amendment which the gentleman from Tennessee [Mr. BROWNING] intends to submit. This would be in the spirit of our solemn pledge to mete out to them "the full measure of justice and generosity" expressed in our platform contract which we made during the campaign. [Applause.]

I yield to no man on this floor in loyalty to President Roosevelt and his administration of the affairs of our country. It is with a feeling of pride that I recite the fact that I very early in the campaign was one of the first to advocate his nomination in my State; and I organized the first Roosevelt club in Washington and was honored by being elected its president, and campaigned actively in behalf of his nomination throughout the State and neighboring States as early as 18 months before the Chicago convention. I rejoiced in his election and have every confidence in his patriotism, statesmanship, and leadership, but intend to discharge my constitutional duties as a Member of this body and grant to every other Member the same right. [Applause.]

[Here the gavel fell.]

The regular order was demanded.

Mr. TABER. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. SNELL].

Mr. SNELL. Mr. Speaker, what few words I say relative to the legislation before us at this time are not said either as a Republican or a Democrat. They are said as a loyal American citizen who desires to meet the duties that come to him as a Representative in this House. [Applause.]

I regret that this legislation seemed necessary to be brought in under the conditions under which it is presented here today, but the majority are responsible for the handling of the program. They are responsible for the program that is presented, and, as far as I am concerned, as a member of the minority I am not going to throw any monkeywrench at this time into the program that has been presented that they say is absolutely necessary to put this country back on its feet. [Applause.]

I am not in complete accord with all the provisions of this bill. As a matter of fact, if you go into the details of the bill there are a great many things that I am absolutely opposed to, but that is not the question before us at the present time. It is a question of taking it or defeating it as presented by the majority, and I am going to take it.

The President of the United States has sent this legislation up here as an emergency proposition. The President says it is necessary to be done and that it is necessary to be done now. The responsibility is his.

Several months ago I took the floor and asked that responsibility for this kind of work be given to the then President of the United States. The Democratic majority did not all agree with me then. Why I do not know, but I have not changed my position one iota. I stand now as I stood then. If you are going to accomplish this purpose, you must put it up to the President of the United States and hold him responsible. This is not a time or place to dis-

cuss bygones. That is water over the dam, but we must grind a grist for the American people with the water that is still available. The credit of the Nation is at stake and it is up to us, here, now, to do our part to restore its firm foundation.

Every part of this country is in a terrible situation and waiting for affirmative action by Congress. Every municipality, town, county, and State is cutting down its appropriations and cutting down salaries of its officials, and I tell you, Mr. Speaker, we must set the example here. We must put the Federal house in order first. That is the crux of the whole situation. It is up to you men to do your duty here today and give the President an opportunity to do the things that he says are absolutely necessary. I know it is the most drastic and far-reaching legislation ever passed, and the success depends entirely on its administration, but I am today more interested in the welfare of our people than I am in who gets the credit; that is why I am supporting it.

But by doing this I am not committing myself on other legislation that is coming before us in a few days. There is some of it I know I am going to oppose, but so far as I am concerned here today, I am going to give him the authority that he asks and hold him responsible for doing the job. [Applause.]

Mr. TABER. Mr. Speaker, I yield 1½ minutes to the gentleman from New Jersey [Mr. SEGER].

Mr. SEGER. Mr. Speaker, these are unusual times. The President has called upon us to act in a great crisis, a national emergency. He has indicated our country is on the road to bankruptcy unless we act and act quickly. There is much in this legislation with which I am not in accord. I do not believe we are going to effect real economy by cutting salaries. Our veterans' legislation, whether it has proven wise or unwise, was carefully thought out and passed upon by our committees before we acted in the House, and I do not approve the idea of undoing a large part of such legislation with so little time for consideration. But the President holds this legislation necessary to maintain the credit of the United States. I went along with President Roosevelt yesterday on his banking program, with which I am not in entire accord, because I believed he was using his head. I cannot believe the drastic results on veterans' cases, predicted by my colleague from Tennessee [Mr. BROWNING], will come to pass. I am going along with Mr. Roosevelt on this legislation, because I am sure he is going to use his heart. [Applause.]

Mr. TABER. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. STOKES].

Mr. STOKES. Mr. Speaker, to be sure, this is a "government of laws and not of men." But in great national emergencies, such as is now confronting us, we are fully justified, in my opinion, in empowering the President to take extraordinary action of this nature.

During the Civil War President Lincoln rose above the laws. He acted undoubtedly in a manner not justified by the Constitution but fully justified by the crisis which confronted the Nation.

When in the history of our country has every bank in the Nation been closed? Never before. When would anyone have imagined in his wildest dreams a deficit of \$5,000,000,000 would have accumulated? These conditions are so filled with danger, and the need for prompt remedy so urgent, that our duty is clear. This bill must be passed or we must abide by the consequences.

Next Wednesday, March 15, \$694,000,000 worth of United States debt falls due. There is only a balance of about \$130,000,000 in the Federal Treasury with which to meet this large obligation. Where will we get the money? We can count on the people and the banks to lend it provided we pass this bill and prove to the country that we will economize.

Mr. McDUFFIE. Mr. Speaker, I yield myself one half minute to read a telegram from an American Legion Post in the city of New York, which is as follows:

NEW YORK, N.Y., March 11, 1933.

HON. JOHN McDUFFIE:

We respectfully urge that the Congress of the United States support the economy program of President Roosevelt, including that part which asks for new legislation for the granting of pensions and other veteran benefits and giving to the Executive the authority to prescribe administrative details.

JOHN J. BOOTH POST, No. 182, AMERICAN LEGION.

Mr. Speaker, I yield 1 minute to the gentleman from West Virginia [Mr. RANDOLPH].

Mr. RANDOLPH. Mr. Speaker, I regret that this bill has been brought on the floor of Congress in this way. It would have been best to have had more time in which to study this measure. I am a new Member, and my vote will be cast for what I believe to be right. I believe that this question will never be settled until men and women act for the best interests of the entire Nation. I believe there are two types of leadership; one is bad and one is good. I have confidence in the good leadership of Roosevelt. I am going to vote for the program of President Roosevelt in the spirit of the old hymn. I know that my heart, as a new Member, is right, and I want, in this particular crisis, in the words of the old hymn, to go with him all the way.

This is an hour of crisis such as we have seldom before experienced as a nation. The times call not for petty political moves not for advancement of personal ambition nor party power. In this hour of great national danger not even sectional or district interests should be exalted above the national interests. To protect the national interest is to serve best the interest of the people of every section and district, for only by reestablishing the confidence of the whole Nation can any particular section of the country derive any benefit from the program of President Roosevelt or any other leader whose sincere aim is to meet the needs of our people by practical legislation. Fear and distress know no State or district boundaries but leap like flames of a great fire that consumes a city.

Thousands of people have been calling for something more than mere speech for months. I believe that the thousands who will be affected by this economy measure—and among them are hundreds of veterans and Government employees from my congressional district—will stand with the President in this great effort to return credit to our Government and confidence to our people.

When distress signals are flying and national disaster threatens the only course of every loyal citizen is to go to the rescue of his fellow citizens. I enlist my humble voice and vote—not in an effort to deprive any of our people of their incomes or disability allowances, but in the cause of preserving our Government. I feel that today every man, woman, and child is called to national service to face a common foe, side by side. There are no officeholders, no special classes, no World War or Spanish-American War veterans, but all Americans pressing forward to meet a common enemy. I sincerely believe that the majority of the veterans and all those who will be affected by this bill will again willingly offer their services to their country and will honor and respect the man who leads the way and the man who fights by his side.

I would have liked to have an opportunity to study this matter at some length. Yet I feel we cannot wait for a lengthy survey. Drastic economies are needed now—not tomorrow. I am as much opposed to dictatorial government as anyone within the sound of my voice. I do not look on this measure as creating government by a dictator. Strong leadership is required, and by passing this bill we actually reaffirm our faith in our democratic form of government. It is not Roosevelt who leads alone—it is the great mass of the people leading themselves and their Nation out of a wilderness of debt and despair. [Applause.]

Mr. McDUFFIE. Mr. Speaker, I yield 5 minutes to the gentleman from Tennessee, the majority leader of the House.

Mr. BYRNS. Mr. Speaker, ladies and gentlemen of the House, I have complete confidence in the absolute fairness of the President of the United States and am certain that he will not do any injustice to any class of citizens in this country.

The people, by an overwhelming vote, have vested the power of leadership in him. I want to appeal to my Democratic friends upon this side of the Chamber, particularly, and ask them: Are you going to deny to him today the power to discharge the solemn responsibilities which he has assumed and which he holds direct from the people? Are you going to tie his hands in the services he is attempting to perform for the people of this country?

We are facing a serious situation, as the gentleman from New York and others have said, a situation more serious, more critical than even existed in war times.

The people are looking to the President to restore confidence and to bring about a return of normal conditions. It would be unfair to him, it would be unfair to the people whom he is attempting to serve, if we today should deny to him the power that he asks to discharge this great responsibility.

Do not mistake it. This is his bill. It has come from his hand. It is an administration measure. When you vote against it you are voting to handicap the President of the United States in his effort to give the people relief. [Applause.]

We are told that the deficit which will occur in June will amount to over \$1,200,000,000, and next year, in 1934, it will be over a billion dollars, making over \$5,000,000,000 indebtedness that will occur during the period of 4 years.

My friends, something must be done to relieve your Treasury and to preserve the credit of the Nation. You can do it only by reducing the expenditures of this Government—something that President Roosevelt is seeking to do in this bill.

I hope that my Democratic friends upon this side of the aisle who were elected upon the same ticket with him and who hold allegiance to the same party to which he belongs and of which he is leader, will not be less loyal to the President today than these gentlemen on the left side of the Chamber who have spoken in behalf of this bill. [Applause.]

I appeal to you in this great emergency to forget any differences you may have, any small or serious objection that you may have to this bill, and subordinate all in your effort to give the President this authority which he asks.

There are features of the bill to which I do not give my whole accord, but, my friends, in this great national emergency I am willing to surrender any differences that I may have and will do so as quickly as I would if we were actually in a state of warfare. [Applause.]

This is not a time to look for defects. It is a time to get behind our great leader and to follow him and be guided by his judgment, rather than our own, in this critical period. The people are looking to him as their hope for relief and they are not going to look with favor upon any action which will not uphold his hands. What will the country say if it shall go out to the country that the Congress of the United States is not standing behind the President in his effort? What will they say if it be said that this Congress has failed to give him the support that he has asked? Let us pass this bill by an overwhelming vote. [Applause.]

The SPEAKER. The time of the gentleman from Tennessee has expired. All time has expired.

Mr. McDUFFIE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to extend their remarks in the Record on this bill. Many gentlemen requested time, but there was not sufficient time to yield to them all.

The SPEAKER. The gentleman from Alabama asks unanimous consent that all Members may have 5 legislative days within which to extend their own remarks on this bill. Is there objection?

There was no objection.

The SPEAKER. Under the resolution the previous question is ordered. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. CONNERY rose.

The SPEAKER. For what purpose does the gentleman from Massachusetts rise?

Mr. BROWNING. Mr. Speaker, a parliamentary inquiry.

Mr. CONNERY. Mr. Speaker, I rise to offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. CONNERY. I am.

The SPEAKER. Is any member of the committee opposed to the bill?

Mr. McDUFFIE. No.

The SPEAKER. The gentleman from Tennessee will state his parliamentary inquiry.

Mr. BROWNING. Mr. Speaker, it is to ask if, under the usages of the House, after what occurred in the caucus this morning, I should not be permitted to make the motion to recommit?

The SPEAKER. The House has no knowledge of what occurred in the caucus. The gentleman is not propounding a parliamentary inquiry. The Clerk will report the motion to recommit offered by the gentleman from Massachusetts.

The Clerk read as follows:

Mr. CONNERY moves to recommit the bill, H.R. 2820, to the Committee on Economy.

The SPEAKER. The question is on the motion of the gentleman from Massachusetts to recommit the bill.

The question was taken; and on a division (demanded by Mr. CONNERY) there were—ayes 90, noes 272.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. McDUFFIE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 266, nays 139, answered "present" 1, not voting 19, as follows:

[Roll No. 4]
YEAS—266

Adams	Colmer	Gray	Lesinski
Allen	Cooper, Ohio	Green	Lewis, Colo.
Allgood	Corning	Greenwood	Lewis, Md.
Andrew, Mass.	Cox	Gregory	Lozier
Andrews, N.Y.	Cravens	Griffin	Luce
Arnold	Crosby	Guyer	Ludlow
Auf der Heide	Cross	Haines	McCarthy
Bacharach	Crowther	Hancock, N.Y.	McDuffie
Bacon	Crump	Hancock, N.C.	McGrath
Bailey	Culkin	Harlan	McGugin
Bakewell	Cummings	Hart	McLean
Bankhead	Darden	Harter	McMillan
Beedy	Darrow	Hartley	McReynolds
Berlin	Deen	Hastings	McSwain
Biermann	DeRouen	Henney	Major
Bland	Dickinson	Hess	Maloney, Conn.
Blanton	Dies	Higgins	Maloney, La.
Bloom	Dingell	Hill, Ala.	Mansfield
Boehne	Disney	Holdale	Marland
Boland	Dobbins	Hollister	Marshall
Bolton	Doughton	Holmes	Martin, Colo.
Boylan	Doutrich	Hope	Martin, Mass.
Briggs	Doxey	Howard	Martin, Oreg.
Britten	Drewry	Huddleston	Meeks
Brooks	Driver	Hughes	Merritt
Brown, Ky.	Duffey	Jacobsen	Millard
Brown, Mich.	Duncan, Mo.	Jenkins	Miller
Buchanan	Eaton	Johnson, Okla.	Milligan
Buck	Edmonds	Johnson, W.Va.	Montet
Bulwinkle	Eicher	Jones	Moran
Burch	Ellzey, Miss.	Kahn	Morehead
Burke, Nebr.	Eltse, Calif.	Kee	Moynihan
Burnham	Evans	Kemp	Muldrowney
Busby	Farley	Kennedy, Md.	Norton
Byrns	Fernandez	Kenney	O'Connell
Cady	Fiesinger	Kerr	O'Connor
Caldwell	Fish	Kinzer	Oliver, Ala.
Carden	Fitzpatrick	Kleberg	Oliver, N.Y.
Carpenter, Nebr.	Flannagan	Kloeb	Owen
Carter, Calif.	Foss	Knutson	Parker, Ga.
Cary	Foulkes	Kocialkowski	Parker, N.Y.
Castellow	Fuller	Kopplemann	Parks
Cavicchia	Fulmer	Lambertson	Parsons
Christianson	Gambrill	Lambeth	Perkins
Church	Gifford	Lamneck	Peterson
Claiborne	Gillespie	Lanham	Pettengill
Cochran, Mo.	Gillette	Larrabee	Peyser
Cochran, Pa.	Glover	Lee, Calif.	Pierce
Coffin	Goldsborough	Lee, Mo.	Pou
Colden	Goodwin	Lehlbach	Powers
Cole	Goss	Lehr	Ragon

Ramspeck	Seger	Swick	Wearin
Randolph	Shallenberger	Taber	Weaver
Rayburn	Simpson	Taylor, Colo.	West
Reed, N.Y.	Sisson	Terrell	Whittington
Reilly	Smith, Va.	Thom	Wigglesworth
Rich	Smith, W.Va.	Thomason, Tex.	Wilcox
Richardson	Snell	Thompson, Ill.	Willford
Robertson	Snyder	Tinkham	Williams
Robinson	Spence	Tobey	Wilson
Rogers, Mass.	Stalker	Treadway	Wood, Ga.
Romjue	Steagall	Umstead	Wood, Mo.
Ruffin	Stokes	Utterback	Woodrum
Sabath	Strong, Tex.	Vinson, Ga.	Young
Sadowski	Sullivan	Wadsworth	The Speaker
Sanders	Summers, Tex.	Walter	
Sandlin	Sutphin	Warren	

NAYS—139

Arens	Dunn	Lanzetta	Shoemaker
Beam	Durgan, Ind.	Lemke	Sinclair
Beiter	Eagle	Lindsay	Sirovich
Black	Englebright	Lloyd	Smith, Wash.
Blanchard	Faddis	Lundeen	Somers, N.Y.
Bolleau	Fitzgibbons	McCormack	Strong, Pa.
Browning	Fletcher	McFadden	Stubbs
Brumm	Focht	McFarlane	Studley
Brunner	Ford	McKeown	Swank
Burke, Calif.	Frear	McLeod	Sweeney
Cannon, Mo.	Gasque	Mapes	Tarver
Cannon, Wis.	Gavagan	May	Taylor, S.C.
Carley	Gibson	Mead	Taylor, Tenn.
Carpenter, Kans.	Gilchrist	Mitchell	Thurston
Carter, Wyo.	Griswold	Mott	Traeger
Chapman	Hamilton	Murdock	Truax
Chase	Healey	Musselwhite	Turner
Chavez	Hildebrandt	Nesbit	Turpin
Clark, N. C.	Hill, Knute	O'Brien	Underwood
Collins, Calif.	Hill, Sam B.	O'Malley	Vinson, Ky.
Collins, Miss.	Hoeppel	Palmisano	Waldron
Condon	Hooper	Patman	Wallgren
Connery	Imhoff	Polk	Watson
Connolly	James	Prall	Weideman
Cooper, Tenn.	Jeffers	Ramsay	Weich
Crosser	Jenckes	Rankin	Werner
Crowe	Johnson, Minn.	Ransley	White
Cullen	Johnson, Tex.	Reece	Whitley
Dear	Keller	Richards	Withrow
Delaney	Kelly, Ill.	Rogers, Okla.	Wolcott
Dirksen	Kelly, Pa.	Rudd	Wolfenden
Dockweiler	Kniffin	Schuetz	Wolverton
Dondero	Kramer	Schulte	Woodruff
Douglass	Kurtz	Scrugham	Zioncheck
Dowell	Kvale	Secrest	

ANSWERED "PRESENT"—1

Shannon

NOT VOTING—19

Abernethy	Beck	Ditter	Reid, Ill.
Adair	Celler	Granfield	Rogers, N.H.
Almon	Clarke, N.Y.	Kennedy, N.Y.	Schaefer
Ayers, Mont.	De Priest	McClintic	Sears
Ayres, Kans.	Dickstein	Peavey	

So the bill was passed.

The Clerk announced the following pairs:

General pairs:

Mr. Abernethy with Mr. Clarke of New York.

Mr. Sears with Mr. Beck.

Mr. McClintic with Mr. Reid of Illinois.

Mr. Dickstein with Mr. Ditter.

Mr. Ayres of Kansas with Mr. Peavey.

Mr. Granfield with Mr. De Priest.

Mr. Kennedy of New York with Mr. Schaefer.

Mr. Ayers of Montana with Mr. Turner.

Mr. CULLEN. Mr. Speaker, the following Members, if present, would have voted "aye": Mr. ALMON, Mr. CELLER, and Mr. ROGERS of New Hampshire.

Mr. McCORMACK. Mr. Speaker, the gentleman from Massachusetts, Mr. GRANFIELD, is unavoidably absent on account of illness in his family.

Mr. SABATH. Mr. Speaker, my colleagues, Messrs. BRENNAN and Mr. SCHAEFER, are unavoidably absent. If present, they would have voted "aye."

Mr. DARROW. Mr. Speaker, my colleague, Mr. BECK, is absent on account of illness. Mr. DITTER is unavoidably absent. If present, they would both have voted "aye."

Mr. BACON. Mr. Speaker, my colleague, Mr. CLARKE of New York, is unavoidably absent. He asked me to say that if present he would have voted "aye."

Mr. GAVAGAN. Mr. Speaker, my colleague, Mr. KENNEDY of New York, is unavoidably absent on account of illness.

The result of the vote was announced as above recorded. On motion by Mr. McDUFFIE a motion to reconsider the vote by which the bill was passed was laid on the table.

EXTENSION OF REMARKS—H.R. 2820

Mr. TARVER. Mr. Speaker, I have no hesitancy in opposing this bill. The President, with all of the burdens placed upon him during the last few days, has obviously not had the opportunity to give to this legislation his individual attention as to detail but has necessarily been compelled to rely upon the advice and opinions of others. It is apparent that these advisers have not been friends of those who have defended our country in time of war, and of their dependents. The legislation bears the earmarks of the propaganda of the so-called "Economy League", now guided by H. H. Curran, who doubtless feels that he has completed his job of destroying prohibition, in which he has been engaged for the last several years upon the employment of the Association Against the Eighteenth Amendment, and is now free to do the behest of another bunch of millionaires in propagandizing the country against our veterans.

I have maintained an independent position with regard to veterans' legislation in this body. I voted against the immediate cash payment of the bonus and would vote against it again at this time, realizing that it is a matter of impossibility under present conditions. For that position, I have been attacked throughout my district by those who pretended that I was not friendly to the veterans. I am strongly for economy and sound government, and I am ready to vote for economy in every branch of the Government, but I do not believe in "passing the buck." The first section of article I of the Constitution provides:

All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives.

In this bill it is proposed to give the President of the United States legislative power, in the face of the Constitution. It is an abdication by Congress of its constitutional rights, duties, and powers. Rather than vote for such a bill, a Member should surrender his seat and go home. I am ready to legislate, as it is my duty as one Member to do. I am ready to vote to cut the emoluments of every officer and employee of the United States, including Members of this House, and of every veteran of the United States, to whatever extent is necessary to balance the Budget, be it 15 percent, 25 percent, or 50 percent. But I am not willing to make only a 15-percent reduction in my salary and in the salaries of well-paid Government employees, and to cut down the veterans in amounts varying at different percentages, in the judgment of the President, up to 100 percent in most disability-allowance cases. Let us cut everybody alike, and let us have the nerve to do it ourselves and not delegate our duties to the President.

I am not willing to cut out entirely disability allowances. For nearly three quarters of a century the people of the South have been helping pay non-service-connected pensions to Union veterans of the War between the States and in addition have been taking care of the Confederate veterans. Now, when a measure proposed by a Republican President results in the equal distribution of similar benefits to World War veterans equally distributed throughout the country, New York millionaires start a great hue and cry, through their propagandist, Curran, against paying pensions for non-service-connected disabilities. But they are careful to exclude from the power to cut out pensions for non-service-connected disabilities the pensions of Union veterans of the War between the States and their dependents. Why, I say, shall we make fish of the one and fowl of the other? Why are our Spanish-American War veterans and our World War veterans not entitled to the same consideration that has always been accorded the Union veterans of the War between the States? I am willing to go as far as any man in this House in the interest of economy. I am not afraid to vote to cut the benefits of World War veterans by whatever percentage may be necessary, and I know they are willing to bear their share of our national burdens, but when I vote to do it I must know that by the same vote I am taking an equal percentage from your salary and mine, from the salary of every Government worker, from the salary of every ad-

miral in the Navy and general in the Army, and from the benefits accorded to all veterans of other wars of the United States or peace-time service.

Mr. HOEPEL. Mr. Speaker and Members of the House, on March 9 this House met and agreed unanimously to support the President's policy in regard to his recommendations on finance and banking. Our agreement provided a sprinkling of moisture to the economic tree of the United States through which the erstwhile sturdy trunk and branches of banking receive a gracious supply of the liquidity believed essential to revivify our economic and financial stagnation. As occurred with the relief afforded by the Reconstruction Finance Corporation law, it is hoped that some of the fluid wealth will perhaps drop to the soil and percolate to the tap and life roots of our industrial and family life.

We hope this may occur, but, in my opinion, the most direct relief and the one of paramount importance would be the payment of the adjusted-service certificates now, affording relief which would penetrate to the lowest depths and bring the required sustenance and fertility to virtually every family in America, and which, by restoring buying power and the ability to save homes and pay indebtedness, would soon react in every avenue of commerce and trade in America.

On March 9 we voted funds, in fact, we gave a blood transfusion, to the very bankers who brought this calamity upon our Nation. The power which robbed us of our savings and which has placed internationalism above nationalism was rewarded yesterday in spite of its known shortcomings!

Today we are called upon, not to reward those who robbed us of our substance, but we are called upon and expected to vote compliantly to rob those who succored our Nation in time of national stress and danger! I am in favor of economy and reduction in veteran expenditures, but only after due deliberation and weighing of the issues involved. Millions upon millions could be saved by reorganization of the Veterans' Administration, without taking a single penny from any disabled veteran or his dependents. My years of study of this administration prompt me to describe it as an inefficient racket through which many deserving cases receive but little attention unless fortified by influence or coercion. The hodge-podge veteran-relief laws are a travesty on common intelligence, which even our own Congress encourages by maintaining three distinct committees to enact see-saw veteran relief laws.

I am vehemently opposed to any reduction of pension, compensation, or emergency-officer retired pay without a committee investigation and report, and only after due deliberation in Congress. I do not fear the result of my vote on this question, and I will not vote to permit any reduction without such procedure. The defenders of our Nation in times of its utmost peril are entitled to a hearing. They are at least entitled to an equal hearing with the international bankers whose destructive service brought our Nation to this dilemma and who, it is well understood, acquiesced in the bill which, as a matter of loyalty to the Chief Executive, was enacted yesterday without opposition in the House. The loyal, disabled defenders of our Nation who cannot prove service connection are in many instances equally entitled to a gratuity as are those who have a service-connected record of disability. To discriminate against this one class as a whole, in my opinion, is unfair and un-American!

Mr. WEIDEMAN. Mr. Speaker, I believe when the people of the Fourteenth District of Michigan sent me to be their Representative in Congress they gave me certain orders to carry out. Among them was a definite order to do all in my power to secure a reduction in governmental expenses.

The order that I received from my district was to accomplish this by cutting out useless departments of government by destroying unnecessary commissions, and not by cutting wages or reducing the American standard of living. I was not ordered to sacrifice the compensation or benefits that the deserving veteran received from his Government. I received an unequivocal order from my people to vote for such measures that would tend to better the standard of living and the standard of wages, so that the purchasing power of the people may be restored and that the invest-

ments they had made in homes and other property would be brought back to a decent value.

The prosperity of the Nation cannot be accomplished by cutting wages—which both destroys the purchasing power of the people and renders valueless the investments that the average citizen has made over a course of years.

DRIVE THE MONEY LENDERS FROM THE TEMPLE

When the international bankers, Wall Street and the house of Morgan, decide to declare a moratorium on the interest charges of the public debt, then I might consider penalizing the Federal employee and the veteran.

The wages of the Federal employees at the bottom of the list have been cut to the very lowest point commensurate with their giving themselves and their family a decent living; and it is high time that some of the useless, expensive, and high-priced bureaus and bureau heads be abolished.

I stand firmly behind our President in his endeavor to cut the cost of government, and I stand squarely behind his inaugural declaration to "drive the money lenders from the temple." Let those who profit out of the manipulation of money and who are able to pay their just share of its cost start to contribute now according to their ability to pay.

Mr. COLLINS of Mississippi. Mr. Speaker, the committee that reported this bill was appointed yesterday. It is current rumor that its hearings covered the period of 3 minutes. It was probably written by the legislative clerk's office. Anyway it is loosely drawn. No Member of this House understands its provisions or the effects that will follow its passage.

I have earnestly tried to get a few minutes' time in which to discuss some of its provisions and this has been denied me because we are told that it must be passed today. There exists no emergency, so why the haste in taking away from many of our ex-service men the small funds left them and the medical and hospital benefits that a Government owes them? And this even without their or their representatives' having a chance to be heard.

Moreover, Mr. Speaker, in my judgment, the proposed legislation is so far-reaching that I question the wisdom of rushing it through here this afternoon without an opportunity thoroughly to study its various aspects. We know that the measure has been shaped hurriedly. We also know that there is no legislation on the statute books today that is more involved than that dealing with our veterans. Therefore I say that the wiser course would be to delay for a day or two the passage of this bill in order that Members might have an opportunity carefully to examine its provisions and guard against taking a step that might do violence to a class of our citizens that it is our solemn duty to care for in their hour of need, even though we may know and are confident that our President is as equally solicitous for their welfare as we are. If the legislation has been ill-prepared through haste, the President's hands would be tied.

I have run through the bill rather hurriedly, as all of us must do. There are 1 or 2 provisions that I am not certain will carry out the intentions of the administration. Take, for example, section 6. This section provides:

In addition to the pensions provided in this title, the Administrator of Veterans' Affairs is hereby authorized under such limitations as may be prescribed by the President, and within the limits of existing Veterans' Administration facilities, to furnish to veterans of any war, including the Boxer rebellion and the Philippine insurrection, domiciliary care where they are suffering with permanent disabilities and medical and hospital treatment for diseases or injuries incurred or aggravated in line of duty in the active military or naval service.

What happens under this provision to a bedridden veteran whose disability is non service connected? Is all authority removed to care for him until he is well? If he is destitute, with no income from any source, what authority will the Administrator of Veterans' Affairs have to continue to provide him with hospitalization? Frankly, I do not know. I should prefer to see the section amended by adding a proviso at the end thereof reading somewhat as follows:

Provided, That veterans receiving domiciliary care or medical and hospital treatment upon the date of the approval of this act, and who, in consequence of the provisions of this act, may not thereafter be entitled thereto, may continue to receive such care

and treatment at public expense until discharge if they are able to establish to the satisfaction of the Administrator of Veterans' Affairs that they are financially unable to pay for such care and treatment.

Then, turning to section 10: Is it intended to exempt from reduction the retired pay of emergency officers? Section 10 reads:

Notwithstanding the provisions of section 2 of this title, any person who served as an officer of the Army, Navy, or Marine Corps of the United States during the World War, other than as an officer of the Regular Army, Navy, or Marine Corps, who made valid application for retirement under the provisions of Public, No. 506, Seventieth Congress, enacted May 24, 1928, sections 581 and 582, title 38, United States Code, and who prior to the passage of this act has been granted retirement with pay, shall be entitled to continue to receive retirement pay at the monthly rate now being paid him if the disability for which he has been retired resulted from disease or injury or aggravation of a pre-existing disease or injury incurred in line of duty between April 6, 1917, and November 11, 1918: *Provided*, That the disease or injury or aggravation of the disease or injury directly resulted from the performance of military or naval duty, and that such person otherwise meets the requirements of the regulations which may be issued under the provisions of this act.

It will be observed that the provision says that emergency officers shall continue to receive retirement pay at the monthly rate now being paid. I am sure that is not the intention of the proponents of this measure, and yet that is what the section provides. It may be said that the matter is met under title II, but I doubt this and I prefer to see the section amended so as to remove any question. My thought would be to insert after the word "him," in line 15, on page 6 of the bill a clause reading:

Less such an amount as may be deducted in consequence of the provisions of title II of this act.

We certainly do not wish to make an exception of this group of retired officers, and it seems to me it would be well to amend the bill as I have indicated to make certain that we will not do so.

There is another section of the bill that I should like to see amended, Mr. Speaker. Section 5 of the bill provides as follows:

All decisions rendered by the Administrator of Veterans' Affairs under the provisions of this title, or the regulations issued pursuant thereto, shall be final and conclusive on all questions of law and fact, and no other official or court of the United States shall have jurisdiction to review by mandamus or otherwise any such decision.

It is not proposed here to give final say to the President.

The final arbiter, under this section, will be some subordinate, some civil-service employee under the Administrator of Veterans' Affairs. I am unwilling to go that far. I am willing in this emergency to clothe the President with practically unlimited powers, but not some lawyer that he had no voice or choice in selecting or employing. I think the section should be amended by including after the word "official", the words "except the President."

I favor the platform promises of the Democratic Party on economy. I have always favored the strictest economy in Government expenditures. I have brought about savings aggregating millions in appropriation and other bills. No man can or will say that any Member can out-do me in my efforts to save public money. I have even voted during the last Congress, with my colleague from Mississippi [Mr. WHITTINGTON], to reduce my own salary to \$7,500.

Mr. Speaker, this bill should not be passed. It will not make conditions better, but worse. The President will not administer its provisions, but someone else will, probably someone who opposed his election. We must not fool ourselves.

This Congress should act sanely and deliberately. Why add further to the lack of respect in which the country holds us by passing a measure whose provisions are unknown to us, and whose administration may seriously add to the existing misery?

Mr. TREADWAY. Mr. Speaker, the bill which passed the House today confers as far-reaching authority on the President to fix salaries and make payments of various kinds as

the bill we passed on Thursday gave him over the banks of the country. I voted for the bill today, just as I did for the bill passed Thursday.

While certain features of the economy bill were distasteful to me, in view of the emergency to which the President called attention and because of the attitude of the people of the country I felt that full power should be given the President in the premises. I particularly dislike section 5, which gives the Administrator of Veterans' Affairs the sole power of decision of all questions of law and fact and deprives those having claims under the veterans law of the privilege of appeal to the courts.

I understand that the third measure which the President intends to submit to Congress is one authorizing a bond issue of \$500,000,000 to be expended on public works, reforestation, and additional work at Muscle Shoals. From the administration of President Wilson to the present time, I have consistently opposed the development of the Muscle Shoals plant by the Government. I shall not, therefore, feel justified in voting to authorize a bond issue in order to further waste the people's money in what I conceive to be a political and ill-advised development.

Mr. FORD. Mr. Speaker, I have entire confidence in the President. But this confidence does not enable me to vote for a bill I have not been given the opportunity to read and which, on the face of it, seems to be an effort to bring about economy by taking from those who can least afford to lose.

Economy is needed. It should begin at the top. A horizontal cut is unfair and uneconomic. If salary cuts are to be made, make them deep and drastic on all salaries over \$5,000, including congressional; but spare the poorly paid clerk, the drudging mail carrier, and every Government employee struggling under a small wage.

On general principles, to decrease the purchasing power of our workers is to retard economic recovery. The same principle applies to drastic cuts in veterans' benefits.

Prosperity can not be restored by reducing to poverty and despair thousands of Spanish War and World War veterans who defended our flag in times of national crises. Any changes made in veterans' benefits should be made upon the recommendation of an impartial committee, based on evidence adduced at public hearings. Haste is unwise, unnecessary, and unfair.

There are other ways of balancing the Budget than by throwing thousands of helpless veterans into the bread lines. Overlapping bureaus and commissions can be combined; other economies can be effected. On the other hand, new revenue can be secured in various sound ways. Suggestions for your consideration are these: Refunding of the public debt at a lower rate of interest; revision of the Volstead Act, legalizing light wines and beer, thereby producing an estimated revenue of about \$250,000,000 annually; a moratorium on income-tax refunds, by which billions of dollars have already been drained from the Treasury; sound and controlled reflation to relieve the debtor, give security to the creditor, and raise the wholesale commodity price level to a point where there is at least a small margin of profit for the producers of both agricultural and manufactured products.

Two basic facts that we must never lose sight of are that business can not prosper on a falling market and recovery can not be brought about by curtailing consumers' income.

Mr. ZIONCHECK. Mr. Speaker, I do not hesitate to say that it is impossible for me to vote affirmatively for this bill for the reason that I have definitely committed myself against wage cuts and because I take the position that the only way to get out of this depression is to increase the purchasing power of the farmers, the workingmen, and the unemployed.

As one of the newly elected Members in Congress, I resent the inference that anyone voting in the negative upon this measure has no confidence in the President and is unpatriotic, for it is my feeling that among the most patriotic Members, as well as those who have great confidence and admiration for the President, are those who believe that it is their

duty to speak up in no uncertain terms when his actions seem to be wrong in principle.

The program of the so-called Economy League, which represents only the large vested interests and the select group of large income-tax payers, together with other organizations who keep up a constant clamor for a balanced Budget, if followed to its logical conclusion, can lead to nothing but havoc and despair. They would cut the costs and wages in order to lower taxation to a point that they would produce goods so cheaply that no one would be able to buy them. The measure before us can in no way help the suffering farmers, the unemployed, or the man who is partly employed, and it will only increase the size of the bread lines.

Again I want to reiterate that we can only have prosperity by a proper and adequate distribution of buying power, and the only manner in which that can be effected for the time being is to increase the public expenditure without increasing the bonded indebtedness, by way of a building program which would embody in it projects of a cultural and quasi-cultural nature and few, if any, of the so-called self-liquidating projects.

The real and fundamental cause for this depression is that the workingman and the farmer have not received a large enough portion of what they have produced, and therefore now suffer, not because of overproduction but because of underconsumption, due to a lack of buying power.

No halfway measures will go, just as no halfway measures would be tolerated during a war, and therefore one of the necessary steps that we must take is that of the 6-hour day, the 5-day week, without wage reductions. I have not only pledged myself to such a program, but I sincerely believe in it as a matter of principle, and inasmuch as I act only in a representative capacity, pledged to work only for the 95 per cent of the people and not for the special interest 5 per cent group, I have no alternative in this matter and must vote as my constituency has directed.

As to the veteran phase of this measure, allow me to state that for every two American boys who gave their all in the last war we made another millionaire here. Why, then, is it so wrong to compel these in turn to in some degree compensate those veterans who are now disabled? This same reason goes for the veterans of other wars. I am of the opinion that if aggressive wars entail an after cost by way of large gift, income, and inheritance taxes these individuals would not be so anxious for future aggressive wars that might be contemplated.

I am not unmindful of the intimation that any Member voting against this measure would have his patronage taken away by the Executive. Nevertheless, I feel that the Chief Executive is too big to play petty politics and that he is really desirous of obtaining an honest expression of opinion on all measures and does not look to the people's representatives to come to Congress merely as rubber stamps; but, regardless of the consequences, present and future, allow me to state that I would rather resign from Congress than vote "yes" on this measure.

Mr. COLMER. Mr. Speaker, to my mind, this is the most momentous question that I have ever been called upon to decide, and that, too, without an opportunity for mature reflection. Under the gag rule invoked here for the passage of this bill I have not even had an opportunity to fully read the bill.

I am confronted with two major propositions. First, I yield to no man a greater respect, love, and interest for the cause of the ex-service man. They are my friends and I am their friend. Their cause is my cause. But those in charge of this legislation have seen fit to make this bill all-comprehensive on the question of economy. This bill, in the first place, provides for a much-needed economy in the conduct of our Government. It provides, among other things, for a reduction of 15 percent of my own salary. I want to vote for these economy measures, including the reduction of my own salary, but I do not want to, as a friend of the ex-service man, grant to anyone, not even the President of the United States in whom I and the country as

a whole have implicit confidence, the prerogative of Congress to say what veterans shall receive compensation and how much, and what veterans shall not receive compensation.

I am in the same attitude in this as many other Members of this House who believe that a grateful American Government wants to and should take care of its veterans. We are placed on the spot by those in charge of this legislation. Under the gag rule invoked we are not even given the privilege of offering an amendment to this bill. We are forced into the unenviable position of, on the one hand, granting these extraordinary powers to the President with reference to veterans' compensation, and, on the other hand, being forced to say by our vote that we do not favor the much-needed provision in the bill for saving approximately one half million dollars by cutting our own salaries and enacting the other economy measures provided for in the bill.

Since this matter first came before this body a little more than an hour ago, both in the caucus and on the floor of this House, at the risk of being considered presumptuous as a new Member of this Congress, I persistently, vigorously, and with all the power of which I am capable, opposed this extraordinary provision with reference to the veterans' cause (CONGRESSIONAL RECORD, vol. 77, p. 213). As a whole, there is no more patriotic class of people than the ex-service men of this country. The big majority of them are willing to make sacrifices in this hour of peril, even as they were in the former crisis of the Nation. They are agreeable to a pro rata cut in their compensation. There is no secret now of the fact that there has been an effort made by those of us who are friendly to the veterans' cause to amend this bill whereby in no event shall the veterans' compensation be cut more than 25 per cent.

I have favored that, and I favor it now. And out of a sense of fairness to the heroes who defended their country and its institutions as former service men of this great country, I appealed to those in charge of this legislation with all the fervor of my being to see to it that the gentleman from Tennessee [Mr. BROWNING] is given an opportunity to present his amendment to the bill, which he will presently seek to offer, and under the provisions of which no veterans' compensation shall be diminished more than 25 per cent. I say to you who are in charge of this legislation that you know as well as I do that if you will release the gag rule long enough for this amendment to be considered it will pass this House overwhelmingly.

In conclusion, Mr. Speaker, I want to thank the gentleman from Alabama [Mr. McDUFFIE], who is in charge of this bill, for his graciousness in allowing me these few minutes of his very limited time in which we have to consider the bill.

I am an ex-service man and proud of it, but above that I am an American citizen, I hope a patriotic one, who places the welfare of his country above everything else. I want to uphold the hands of the President of the United States in this grave crisis with which he is confronted—in my opinion, the greatest crisis the country has ever faced. We are at war, upon the outcome of which depends the future continuation of this Government and its institutions. I realize fully that the Nation's ship is sinking and its house is on fire. I cannot refuse a helping hand. Candidly I do not believe that this country and our present form of government can continue another six months unless drastic steps are taken. I am fully cognizant of the fact that we cannot all have our own way about these matters; that there is dire necessity for following some leadership. In our desperation we must either follow the administration or go groping about in the dark to eternal perdition. But while it is as painful as tearing my own heart out, if you will not give us this opportunity to amend this bill, I must, realizing the gravity of the situation, vote for the bill as written, leaving me only with the consolation that it will be left in the hands of that courageous leader of the people, the Commander in Chief of the Army, himself disabled physically, and with the further hope that when this matter reaches the Senate, where I understand, unlimited debate and amendments are allowed

under the rules, it will be so amended as to eliminate these most objectionable features, and we will have further opportunity to vote on it here.

Mr. BOYLAN. Mr. Speaker, I am going to vote for the bill now before us. During the 10 years I have been a Member of the House I have consistently been the friend of the veteran. Every measure presented to the House providing for special benefits for the veterans has received my unfailing support. As you all know, I have been a loyal friend of the Federal employees. I know the RECORD will bear me out in saying that I have been one of their foremost champions. No one has worked harder than I against pay cuts. However, a condition confronts us today that is without parallel in the history of our country. If the Nation is to endure, we must adopt heroic remedies. This measure proposed by the President is one of them.

The economy retrenchment and reorganization plans of the new administration are just as important as its banking plans, and as President Roosevelt works toward their perfection he is working even more directly with the basic substance of American policy. It is this side of the new administration's efforts which must spell the difference between mere emergency measures applied to a single crisis and that thorough-going revision of governmental policies which will suffice actually to readjust the national life to the problems confronting it and supply the firm ground for solving those problems on a truly national basis. Impossible before, such a readjustment is practicable today. It is practicable if the opportunity is seized by the President and his hand sustained by a patriotic people.

To cut \$500,000,000 from the Federal expenditure would have been an impossible undertaking when the Budget was made up in December. Now, in a time when no stubborn minority interest, selfish political calculation, or special local terror could stand before the united demand for united action, it can be done. Where a few days ago the choice between the gold standard as opposed to inflation, collapse, and chaos had to be left largely to the accident of politics, it now becomes possible for President Roosevelt single-handed to choose the policy and put into effect not one measure but all the measures necessary to insure its success.

I am ready today to cast my vote to uphold the hands of President Roosevelt. Twenty-three years ago we commenced our legislative careers in the Legislature of the State of New York. I learned from close contact to admire and respect him. I have confidence in his leadership, and I am willing to follow him. From my personal knowledge, I know that he will not only treat the veterans and Federal employees fairly but that he will even go further and treat them generously.

The people of this Nation have intrusted our party with the affairs of our country. The responsibility is ours—as will be the blame, if we fail. The only way for us to succeed is to rally and stand unitedly behind our standard bearer, the President, Franklin D. Roosevelt.

Mr. YOUNG. Mr. Speaker, we are confronted by stern reality. We deal with a condition, not a theory. Not since the Federal troops streamed back to Washington in panic early in 1861 has our Government been menaced and shaken as at present. No Member of this legislative body has in his lifetime witnessed a more perilous time in his country's affairs than he beheld a few hours before our President was inaugurated last Saturday.

The American people are looking today to President Franklin D. Roosevelt to lead them out of a wilderness of chaos and disaster. I will follow the President. I will help uphold his leadership. I will vote for this economy bill for which he asks. Bold leadership is the need of the hour. This measure gives to the President the power to cut Federal salaries up to a total of 15 percent, to make savings estimated at \$500,000,000 each year, and to keep faith with the American people. I regret that one of my first votes as Congressman will permit my own salary to be slashed from \$10,000 to \$8,500. I consider it unfair to cut salaries. I

hope and believe if the President finds it necessary to make any cuts in veterans' allowances or Federal employees' salaries, it will only be temporary, until such time as he brings order out of chaos. We need in this country more purchasing power, not less. Prosperity will not return so long as the Government, the country's largest employer, leads the procession toward lower pay. We must not tear down a standard of living that is the product of more than 100 years of industry and progress.

My colleagues, a few hours before our President took the oath, the entire financial structure of the United States collapsed. Banks in 48 States were closed. Our international trade had been destroyed by a prohibitive-tariff law approved by President Hoover. Our transportation was paralyzed. Our factories shut down. Our farmers bankrupt. Millions of worthy and industrious men and women walked city streets jobless. Millions of helpless little children were underfed. The times demand bold leadership—a Roosevelt wielding the "big stick."

As the wandering and abject tribes of Israel in that remote period of almost forgotten centuries called to Moses to lead them from a wilderness of despondency and to free them from shackles which bound them in ruthless subjection to tyranny, so today the American people call to President Franklin D. Roosevelt to lead them from a wilderness of unemployment, suffering, hunger, and despair into the promised land of steady employment, contentment, and economic security.

There are provisions in this measure I do not like. I have helplessly watched the savings of more than 20 of the best years of my life disappear, never to return. I share the viewpoint of those burdened by debts. It is hateful to me to behold the probability of a temporary reduction in veterans' allowances and a cutting of Federal employees' salaries.

As a member of the American Legion, I regret that the enforcement of provisions in this measure may temporarily call upon some of my comrades to make further sacrifices to their country's welfare.

When this crisis, more serious than war, is over, I will vote to restore salaries of Federal employees and to increase allowances to veterans who offered their lives in a time of need and who may now be asked by our President to sacrifice some money in a time of supreme national peril.

The President says this measure is necessary to save the country. One hundred and twenty million people look to his leadership to restore confidence and reestablish economic security. We should not deny our President the responsibility he asks in this emergency. I go along with him.

Mr. GOODWIN. Mr. Speaker and Members of the House, as a new Member of Congress from the Twenty-seventh District of New York, I have listened with a great deal of interest to the debates upon the plans of our President for immediate and drastic action with regard to the banking system of our country and also the finances of the Government. Surely no one is in position to present to Congress more definite and reliable information than he. I believe so thoroughly in a balanced Budget that when he asks for unusual powers to act upon the situation and states, "I give you assurance that if this is done there is reasonable prospect that within a year the income of the Government will be sufficient to cover the expenditures of the Government," then I believe that every one of us should give to him the opportunity. This is an emergency, not the regular course of events. Every angle and phase of Government income has failed to work out as anticipated. Pay day has arrived, and we must either pay or default. Certainly it would be a poor policy for any business to pay its deficits by the issuance of notes. The result is too evident. I come from a district crying for relief in the way of taxation. Properties are passing out of the hands of lifelong owners for the reason that they cannot pay their taxes. They have asked me to take every possible step toward balancing the Budget and reducing governmental expenses not only through its normal functions but by the elimination of unnecessary bureaus.

The President says this legislation is urgent and immediately necessary—it carries with it a promise that the remedies I seek will be forthcoming. Therefore, I shall support him in these measures, as he has agreed that—

If Congress chooses to vest me with this responsibility, it will be exercised in a spirit of justice to all, sympathy to those who are in need, and of maintaining inviolate the basic welfare of the United States.

Why not give him the opportunity?

Mr. PATMAN. Mr. Speaker, "Stand by the President by voting for H. R. 2820, a bill to maintain the credit of the United States Government," we were told in the House of Representatives Saturday, March 11, 1933. The inference was left that we had an emergency matter before the House and it had to be passed on immediately. Such was not the case. The inference was left that the credit of the Nation would be impaired immediately if the bill should be delayed for even a few hours or a few days. Such was not the case. Why the rush? Why the haste? Why the gag rule?

SHORT TIME FOR CONSIDERATION

The bill, H. R. 2820, was introduced Friday afternoon, March 10, 1933, by Mr. McDUFFIE, of Alabama. It was printed Friday night and was first available to the Members of the House Saturday morning at 10 o'clock. The Democratic Members held a caucus on the bill at 10 o'clock Saturday. At the caucus there was not sufficient time allowed to read the bill; no one discussed its provisions, other than mentioning a few of its terms. An amendment was adopted at the caucus limiting the power of the President to reduce the compensation or pension of any person more than 25 percent. The Democratic platform pledges a 25-percent reduction in the cost of government, and the members of the caucus did not believe that the veterans should bear any more than their part of the reduction. Notwithstanding the desire of an overwhelming majority of the Democrats to defeat the bill in the form submitted, and notwithstanding the fact that the material amendment above mentioned was recommended by a majority of the Democrats in the Democratic caucus, the bill in its original form was presented to the House under gag rule immediately after it met at 12 o'clock. What I have said about the proceedings in the caucus is taken from newspaper reports. No one will deny them.

Under the gag rule 2 hours' time was allowed for debate in the House. One half, or 1 hour, was controlled by Mr. McDUFFIE and the other half by Mr. TABER, both of these gentlemen being for the bill. The opponents of the measure were not allowed any time at all; however, the gentlemen controlling the time allowed a few speeches of from 1 or 2 to 6 minutes' duration by opponents. No amendments could be offered.

FIVE MINUTES' CONSIDERATION IN COMMITTEE

The Economy Committee reporting the bill considered it for 5 minutes, I was told by one of the members of the Committee. Imagine a bill that repeals hundreds of laws affecting and involving the health and general welfare of millions of American citizens being considered for such a short length of time by a committee and then submitted to the House under gag rule which precludes the offering of amendments or adequate discussion.

Remember, too, this Economy Committee was not selected until the day before the bill was passed, and just a few minutes before a favorable report on the bill. All the members of that committee were known to be in favor of the bill before they were selected. Not one opponent of the measure was allowed to serve on that committee.

WHY THE RUSH?

According to the terms of the bill it would not be effective until July 1, 1933. We have until that time to enact the proposed legislation. We were not asking for that much time. We did ask that a committee of the House be allowed to consider the bill for 3 days with instructions to make a report to the House on it at the end of the 3 days. That was a reasonable request, but it was denied.

Certainly the House was not expecting to transact any other business on Saturday, March 11, 1933. Why should not the discussion have been extended another hour or two at least and the opponents of the measure given time of their own to discuss it and offer amendments for the consideration of the House? Instead the House rushed through the bill and adjourned by the middle of the afternoon. The Senate had already adjourned to meet Monday, March 13. No one can contend that we were forced to get the bill to the Senate for immediate action, as the Senate had already adjourned, not to meet again for 2 days.

Those of us opposing the bill in the form in which it was submitted offered to work night and day in the House, before committees, or any other place, for the purpose of giving the bill the right of way and immediate consideration and with the promise that no effort would be made to filibuster or unnecessarily delay its consideration or passage, if we were allowed the privilege. Our request was denied. The request was reasonable and should have been granted.

WHO WROTE THE BILL?

I know who wrote the bill. The President did not write it. It was written by a man who has consistently opposed relief being extended to veterans. No Member of this House who is considered fair toward veterans was permitted to see the bill before its introduction. In fact, no Member of the House had ever seen the bill until just a few minutes before it was introduced, and there was no change made in its provisions.

STAND BY ONE WHO WROTE BILL INSTEAD OF STANDING BY PRESIDENT IS QUESTION

The President is a very busy man. He does not have time to write bills or to suggest the language that should be contained in a bill. He must trust some other person. In voting for this bill you are not voting to trust the President so much as you are voting to trust the person who wrote the bill, who was trusted by the President. The President will not execute the provisions of the bill if it becomes law. This duty will be intrusted to others.

DISCRIMINATION IN BILL

There are many discriminations and injustices in the bill. I am not talking about the salary part; I am talking about the part that repeals all laws for the benefit of all veterans, service connected and nonservice connected. There is no occasion to include salaries in this bill; they can be reduced in the regular appropriation bills or in a separate bill.

CONSIDER THE CASES OF A AND B

I will mention one or two discriminations to let you know that the President did not write the bill or these provisions would not have been inserted. They may be brought to your attention by illustrations. A and B are brothers; they both went into the Army during the war. Both served on the firing line and both were discharged with disabilities connected with their service. A was a private, B was an officer. A has been drawing \$30 a month compensation for a 30-percent disability. He had no chance to be an officer, but served the same length of time as his brother and encountered the same or greater hardships than his brother. B has been drawing \$200 a month for a 30-percent disability. Under this law the President is not authorized to increase the compensation paid to A, but he is permitted to reduce it 10 percent or 100 percent, but in B's case the President cannot reduce him 1 penny and cannot eliminate his compensation. B will continue under this bill to draw his \$200 a month.

ANOTHER DISCRIMINATION

Mrs. John Doe was born long after the War between the States; she married Mr. Doe, a Union ex-soldier, just before his death. Mr. Doe was in the service a very short time during the War between the States and suffered no disability whatsoever. Under present law Mrs. Doe is drawing a pension of \$40 or \$50 a month. Mrs. John Smith is the widow of a World War veteran; she is young—the average age of 39—but has young children to take care of. Her deceased husband experienced hard service in the war with Germany and suffered disabilities that the law presumes were con-

nected with his service and she is drawing \$30 a month and a small sum additional for each child.

If this bill becomes law the President cannot reduce Mrs. Doe's pension more than 10 percent, if he reduces it at all, but Mrs. Smith's pension will be eliminated entirely. All World War and Spanish-American War widows can have—and in many cases the law will cause—their pensions to be reduced 50 percent or 100 percent, but this is not true as to the widow of a Union ex-soldier.

If the President had written this bill, he would never have embodied such discriminations as these. Many other similar illustrations could be called to your attention.

\$525,000,000 A YEAR SAVING

The newspapers are quoting the spokesmen for the President that if this bill becomes law the President's advisers will cause a saving of \$525,000,000 a year. That is the same thing as saying that all World War veterans and all Spanish-American War veterans will be stricken from the rolls, with the exception of a very few. It means the elimination from the pension rolls of at least 95 percent of the veterans in these two classes. How will that affect the purchasing power over all the Nation?

You may ask, How do you arrive at this conclusion? The salary part of the bill is covered up with limitations. Salaries cannot be reduced more than 15 percent. All savings not including compensation and pension benefits will not exceed \$113,000,000 annually; this is admitted by the sponsors of the legislation. The Union soldiers of the Civil War and their dependents cannot be reduced more than 10 percent; this will amount to a reduction of not more than \$12,000,000 annually. The remainder of the \$525,000,000 reduction must come from the two classes above mentioned.

NON-SERVICE-CONNECTED DISABILITIES

Regardless of what has been said to the contrary, World War veterans are only being paid \$107,000,000 annually for non-service-connected disabilities and Spanish-American War veterans about the same amount, or a little over \$200,000,000 to both. Let it be understood, too, that in a large number of these cases the veterans should be drawing service-connected pay, but on account of loss of records by the Government and death of comrades, doctors, and others who have knowledge of material facts in connection with their cases, they cannot obtain service connection but must accept a much smaller sum annually in the form of non-service-connected pay. However, the Government records show these cases to be for non-service-connected disabilities. All of these cases will be taken from the rolls if a reduction of \$525,000,000 is made by reason of this bill.

The following table shows substantially what the result will be if this legislation passes:

Savings on salaries of all officers and employees of the Government.....	\$113,000,000
Savings on Civil War pensioners, 10 percent.....	12,000,000
Savings on so-called "non-service-connected cases" of World and Spanish-American Wars.....	200,000,000
	<hr/> 325,000,000

A saving of \$525,000,000 annually is promised. Who will lose the other \$200,000,000 annually? There is only one answer, the World War veterans who are suffering from disabilities caused by their war service will lose it. That will remove practically all of them from the compensation roll.

SAVINGS ON HOSPITALIZATION

The argument will be made that there will be some saving in hospitalization. Yes; but not much. The hospitals are already constructed and are in operation, and whether all the beds are occupied or not the expenses will be practically the same.

Further, the \$113,000,000 annual saving on salaries includes about \$65,000,000 that will be saved next year anyway, by reason of laws enacted at the last session. That means a possible additional reduction from service-connected cases and hospitalization, which, if made, will entirely remove from the compensation records the names of all World War veterans.

I am willing to trust the President. But in this case we are told in advance what he is going to do if the legislation is enacted. By putting 2 and 2 together we can determine for ourselves what the effect of his action will be. I am not in favor of it.

Congress can save twice the amount of money in other ways. We can easily reduce the expenses of this Government a billion dollars a year without touching veterans. If veterans are reduced, I am afraid that the clamor for further reductions will subside before we reach the war profiteers, the banking racketeers, who are using the credit of this Nation free of charge; the international bankers, who want to make veterans pay the war debt of foreign countries so that they can collect their second liens in full; and before we reach the holders of tax-exempt securities and other concentrated wealth. The newspapers, radio, screen, and stage will not be so anxious to reach these classes.

BEWARE OF PROPAGANDA

I want to urge the people to beware of false propaganda at this time. An effort will be made by the very people who have ruined our country to get a firmer grip on the throats of the people by reason of the distressing conditions that they have caused. More monopolies and special privileges will be demanded. Under the guise of promoting the general welfare they will be sought.

Remember a large number of the metropolitan daily newspapers only print one side of a question; they do not give the people all the information available on both sides. The news, in most cases, both over radio and in the newspapers, is very much colored before it is given to the public. A certain group controls most of these great means of communication.

If the people were given the truth, the country would be safe. There has been and is now too much concealed from the people.

SECRECY IN GOVERNMENT

The Government collects its taxes in secret; much of the tax money is disbursed in secret. If income-tax returns were subject to public inspection, we would not have a deficit in the Treasury today. The Mellons and Mitchells would not be so well off.

BILLION DOLLARS A YEAR FOR VETERANS

It is costing the Government about a billion dollars a year for veterans of all wars, their widows and orphans—hospitalization and for all other purposes. The hearings before the joint committee investigating this subject disclose that the amount will never be substantially increased under existing laws. Only about one half this amount is expended for World War veterans. As the veterans of the War between the States and the veterans of the Spanish-American War are retired from the pension roll by death, World War veterans will be placed on the roll. It is my understanding from the testimony of General Hines, Director of Veterans' Administration, that in 1958 even the Government will not be spending substantially more than it is spending now on relief for veterans, if we do not have another war and existing laws are not liberalized.

It is the duty of the National Government to provide relief for veterans; it is not the duty of the States. If this bill passes, the relief that is now being extended by the Government at the expense principally of the large income-tax payers will have to be borne by the States and by people who pay taxes on what they owe rather than on what they own. Suppose the large income-tax payers are saved \$500,000,000 a year, will they buy any more shoes, clothing, automobiles, or anything else that requires the employment of labor? No; they are purchasing now everything they need and desire. If, however, they are forced to pay this money into the Treasury and it is distributed to every section of the Nation, purchasing power will be considerably increased.

NOW NO TIME TO REDUCE BUYING POWER

In many localities at this time the Government checks to veterans and their dependents represent a substantial

part of the medium of exchange. If these checks are cut off now, the people's difficulties caused by a paralysis of credit and limited banking will be increased.

Mr. McKEOWN. Mr. Speaker, in protest against what I feel to be unfair treatment of the veterans' friends in the consideration of this measure, I shall vote against it.

I am willing to vote to give the President every constitutional power necessary during this emergency. The veterans should be the last group to be cut, and I was willing to vote for the Browning amendment permitting them to be cut to 25 percent. I am willing to cut my own salary more, in order to cut the soldiers less. This bill cuts the soldiers without limit, while it limits the cut of our salaries and those of other civil employees to 15 percent.

No doubt there is much waste and injustice done the Government in the matter of veterans' compensation.

What we ought to do is to authorize the President to set up impartial boards in each county similar to the draft boards with power to reduce and strike from the rolls unworthy cases.

If the President himself could pass upon the merits of each case, I would not hesitate for 1 moment, for I have every reason to feel that he has a heart full of human kindness and affection for the defenders of the Republic. Such, however, will not be the case. I am willing to undergo whatever it may cost me in the way of criticism to stand for what I believe to be right.

So long as I am an elected Representative I shall give of my best thought and action to the cause of the whole people of this Nation, and I shall not set my judgment against those in authority in matters about which I have no fixed conviction of reason or conscience; but so long as I am elected to fill the high office of Representative of the people in my district, State, and Nation, right and reason shall be the polar star that guides my course on the tempestuous sea of the present.

Mr. PEYSEER. Mr. Speaker, Members of the House, ladies and gentlemen, the bill under discussion to maintain the credit of our Government is one which, in my judgment, should be supported to the fullest degree by the entire Membership of this body.

This is not a time to indulge in any form of partisanship as the crisis in which we find ourselves is one of greater intensity than a war crisis during a period when we are being attacked by an opposing enemy. Our attack at the moment is from within and it is one that is bringing a lack of confidence to the minds of every voter of our Nation, and I believe that it is up to this body to support this bill to the fullest, for the reason that the eyes of the world are upon us to watch if we have the same confidence in our President that they, the voters of the United States, showed that they had in our President when they elected him to his high office with such an overwhelming majority.

The President has shown that he is a man of courage, and it behooves us at this time to show to the voters of the Nation, regardless of their party affiliations, that we are possessed of an equal amount of courage. There is no question in my mind that our President is possessed of both a good head and a good heart, and, in preparing and asking for support of this legislation, he has used his head. There is no question in my mind that, under the functioning of these powers, if given him, he will use his heart as well.

I fully realize that this expression may not appeal to every voter of my district, but I have in mind only one thing—the restoration of the sound foundation upon which this Government has survived for many years. I believe in giving my support to the measure in question and that I am casting my vote where it will do the most good for the most people.

Mr. CONDON. Mr. Speaker, I shall not vote for this bill. Much as I would like to comply with the wishes of the President and grant him this authority, I cannot do so and be faithful to the oath which I took two days ago. I want to support our President and shall do so when it does not conflict with my sworn obligation to support the Constitution. This bill presents such a conflict.

It is clearly and unmistakably a grant of legislative power to the Executive, sweeping in character and far-reaching in its consequences. Under our system of government Congress is powerless to delegate such authority even though it mistakenly be persuaded to do so. Should the measure be enacted it will, in my judgment, be declared a nullity by the Supreme Court if its constitutionality is called in question before that tribunal. It is so indisputably unconstitutional that no lawyer in this House has dared to risk his reputation as such by arguing to the contrary. Instead the proponents of the measure have tacitly admitted the point and attempted to avoid the conclusion by declaring that this action on the part of the Congress is justified under the pressure of existing circumstances, which, they claim, are analogous to war. Following this line of reasoning they claim that this power may be given to the President as a war power. This argument, to my mind, does not compel conviction. Its validity is specious and it is utterly lacking in logic.

When Congress declares war it acts constitutionally. After it has made such a declaration it is not only its constitutional right to take any and all measures necessary to win the war but it is its constitutional duty to do so. To this end it may and does vest the President with extraordinary power, not as the Chief Civil Magistrate of the Republic but as the Commander in Chief of the military forces of the Nation engaged in the preservation of its very existence. Every power so granted by Congress and so exercised by the President is unquestionably constitutional, because the derivation of such grant of power is from an original exercise by Congress of a constitutional power, namely, to declare war.

There is no provision in our Constitution which authorizes Congress to vest in the President in time of peace, however distressful, any part of the legislative power which the sovereign people have solemnly delegated to their agents in Congress. Whether this is a fatal defect of omission in our system students of government may differ, but there can be no doubt that the framers of the Constitution never intended that Congress at any time could surrender its legislative power to the Executive.

Almost without exception those men were profound students of the constitutional history of England, and were familiar with the centuries-long struggle which the people of England had valiantly made to establish and preserve the legislative prerogatives of their elected representatives in Parliament. They knew that down through the centuries from Runnymede to Marston Moor, in the field and in the council, the battle was waged incessantly against the executive power of the Crown to usurp and exercise legislative powers, and they quite naturally distrusted any attempt to endow the President with such powers in this great new Republic of the west for whose government they were drafting a charter of organic law which has become the revered Federal Constitution. It may be old-fashioned to think that they did wisely in prescribing a division of legislative and executive powers. If so, I confess to being old-fashioned. I firmly believe in the wisdom of their action, and I look with fear for the future on any departure from the sound precedent which they established and which we have unhesitatingly followed for almost a century and a half.

There are times when loyalty to party leadership conflicts with the obligation of duty. At such a time it is not easy to choose the right way. To some, and perhaps to many, especially to one's party associates, the right way will seem to them the wrong way. And then may follow denunciation and possibly party ostracism. Already from this floor has come the solemn warning of the wrath to come to those who fail to follow the party standard in the matter before us. Come what may, I must follow that course which I deem to be my duty, and that is to cast my vote against the bill.

Aside from its unconstitutionality this bill is difficult to justify. It proposes to further cut the wages of Government workers and abolish pensions and compensations for veterans, and thereby eliminate a Federal expenditure of approximately \$400,000,000 immediately. In other words, in the face of the impending inflation of the currency with its

consequent rise in prices as a result of the new banking and currency bill so promptly passed by Congress on Thursday, it is proposed to reduce the purchasing power of a half million or more men and women in every section of the country and to abolish completely pension payments to a million veterans likewise scattered throughout the Nation.

If this is the correct formula for the return of prosperity, then the works of every economist in the country should be publicly burned.

Then again many thousands of those who will be deprived of pensions and compensation have been dependent upon this Federal payment as their sole means of subsistence. With it gone they must needs apply to their local government for relief. Therefore, the passage of this bill should be notice to State and local governments to get ready to appropriate many additional millions of dollars for poor relief. Which means, of course, that the Reconstruction Finance Corporation must soon expect further drafts on the \$300,000,000 relief fund and ultimately Congress will be called upon to replenish that fund, because it will very soon be found inadequate.

In this way, at least, the veterans will again be receiving Federal aid. What a difference, however. Instead of honorable pensioners of the Nation they fought to save, they will be mendicants in the soup lines and the bread lines of the land. Is this picture overdrawn? It is not. It is the inevitable effect of this bill unless somehow jobs are found for these men. That, however, will be almost impossible. Remember, these men are disabled. For the most part, their disabilities make them damaged goods in the labor market. In any return of prosperity they will be the last to be hired. Nobody wants them.

On the Federal road relief work projects last summer they were hired under the veterans'-preference proviso and then dismissed by the hundreds as physically incapable of performing the labor required. They were not wanted.

Uncle Sam reached out his long arm for them in 1917. He wanted them then. Then they were fresh and young and vigorous, the flower of the Nation's manhood. He sifted and selected from the whole man power of the country until he found them, and then to each of them he said, "Son, you belong to me." Posters on every billboard in the land pictured the scene of Uncle Sam with his protecting arm around the chosen youth.

Yes; in 1917 he belonged to Uncle Sam and the Nation was proud to claim him. But now, broken in health of mind and body, to whom does he belong? This bill says, not to Uncle Sam; it disowns him. It says he is no different from any other citizen; from the man who bought Liberty bonds to win the war, from the profiteer, from the high-wage worker in the shipyards and munitions plants. Let him shift for himself. If he needs aid, let him fall in with the rest of the unfortunates in the bread and soup lines.

And so the National Economy League has won a famous victory. It has driven the soldier boy out of his Uncle's house. It has saved \$400,000,000 for its patriotic members who struggle along through life on their meager incomes of a few hundred thousands or a few millions a year. No other investment ever yielded them a better return than their subscription to the league.

And when the next war comes round they will buy more high-interest-bearing bonds and cheer as the other fellows' boys go marching off to sacrifice and slaughter.

Mr. KLOEB. Mr. Speaker, it appears to me that the Membership of this House is today at the crossroads. The road, the path to duty, leads to the greatest good for the greatest number of our people. The other road, and perhaps the more convenient for us to follow, will continue the privileges and emoluments that have accrued to many groups of our citizens as well as to ourselves. The latter is the road that I could more conveniently follow, because I am a veteran of the World War who has seen active service. I am a member of the American Legion and active in its councils, and in addition thereto I have a sister whose husband died in the service, leaving her with two boys and at the mercy and benevolence of her Government. She re-

ceives a monthly pension of \$32, and by voting "aye" on this bill I have laid her all at the feet of the President to do as he deems best.

I choose to follow that road which I deem it my duty to follow even though it is the more difficult one for me to travel. Last fall I campaigned the length and breadth of my district denouncing the extravagances of government that accrued with the times during the period of prosperity. I advocated freely the consolidation and elimination of the many boards, bureaus, and commissions that go to make up our bureaucratic form of government. I advocated a reduction in salaries of Federal employees who are in the higher brackets. I assured the veterans of all wars that I would have their best interests at heart subject only to the general welfare of the country.

The inability of the Congress during the past 2 years to function properly in connection with a reduction of the huge expenditures of government was one of the subjects of my criticism. I am now at the crossroads. I can make good my pledge to the people of my district and of the country by now saying "aye" to this bill and thereby, with the utterance of one word, perform my part in redeeming the pledge that I have made, or I can take the more convenient way and perhaps a way that will return more in dollars and cents to certain members of my family and to my friends. I choose to follow the former course and answer "aye."

We are today informed that there are but \$130,000,000 in the Treasury of the United States, less than sufficient to meet the pay roll of the Government for 30 days. We are further informed that within the next 60 days there will fall due approximately \$700,000,000 of short-term notes which the Government must refund at such rates of interest as will best afford a ready sale for the notes. Sixty days ago the short-term notes of the Government could be sold on a basis of one tenth of 1 percent interest. Today that rate has increased to $4\frac{1}{4}$ percent, thus indicating a decided loss of faith by investors in the credit of the United States Government. We are further informed upon good authority that within the next 12 months there will fall due \$8,000,000,000 of bonds of the United States Government which cannot be met from funds received from the taxpayers, but must be met by refunding these bonds.

Most of these bonds bear interest at the rate of $4\frac{1}{4}$ percent. With the loss of faith that is apparent in the stability of the Government, it is entirely possible that under present conditions the Government would be forced to pay even a higher rate of interest in order to market these refunding bonds at par. All of this results from the inability of the Government to bring its expenses within income. During the past 3 years we have accumulated a deficit in our Federal affairs of approximately \$5,000,000,000, and this deficit we have met by the issuance of still more short-term notes and bonds. If we read the signs of the times aright, we have now arrived at the point where the Budget of the Government must be balanced, expenses brought within income, and faith and confidence restored in our Government.

To recommit this bill to some committee of the House would mean further delay, such as we have experienced in Congress during the past 2 years. It would mean that the balancing of the Budget would be delayed 30, 60, 90, days, or perhaps even longer. Affairs are in a critical state, and the first step we must take looking to a restoration of confidence, resumption of business activity, and the employment of millions of our people, is to balance the Budget.

I, for one, do not feel that by voting for this bill I am surrendering any of the rights and prerogatives intrusted to me by the citizens of my district. I am surrendering to the President of the United States all the confidence in him that I possess, and that is considerable. I am surrendering to him in this emergency the authority to do that which Congress has the inability to accomplish. If I judge aright the temper of the people of our country, I believe that they desire immediate action. More than that, I believe that they demand it. I believe further that they have supreme confidence in the Chief Executive, and I know of no reason why I should have less confidence in him than they.

I come from the finest agricultural district in the State of Ohio. My people are farmers or are directly dependent upon the purchasing power of the farmer. I am reliably informed that in my own county of Mercer at this time approximately 900 families depend upon the charity of the public for their daily bread. This means that more than 13 percent of the people of that county are in distress. In Allen County, where is located the city of Lima, Ohio, an industrial center, the percentage of dependent people is even greater. Appalling as these figures are, they cannot compare with conditions that exist in the coal and mining centers of my State and in the great industrial cities—Cleveland, Cincinnati, Youngstown, Akron, Dayton, and Columbus. For us now to procrastinate and ask for time, and yet more time, in which to do the things that our people are demanding should now be done is to me out of the question. The interests and welfare of a few must now be subordinated to the needs and the demands of the many.

I recognize that this measure will authorize the President of the United States to reduce the salaries of Government employees, including my own, up to 15 percent. I have always felt that Government employees in the lower brackets of pay should not be forced to contribute to the balancing of the Budget. The provisions in this bill that would permit the President to reduce the salaries of this group of employees are not to my liking. This is giving to the President wide authority, as is the provision which allows him to reduce the compensation and allowances of Spanish-American War veterans and of the dependents of veterans of the World War whose death or disabilities have been service connected as well as of the veteran with service-connected disability. I would much prefer that the House had time to consider seriously and debate these provisions before final action is taken, but I have supreme confidence in the judgment of the President of the United States to act discreetly. He has told us in his message that he would act with fairness and discretion. He may be fair—more fair—in his ultimate deductions than would be the Membership of this House after prolonged debate.

If I have in my employ certain men and women whom I cannot continue to pay the salaries they have been receiving, there is but one thing for me to do, and that is either to reduce their pay or to discharge them. The Government is an employer. It cannot pay its employees, for it has not the money to pay. We all recognize that there has been a decided decrease in the revenues of the Government due to decreased incomes and a general slowing up of business. Rather than see the Government discharge its employees and cease to function entirely I will take the only other course that is possible and temporarily, at least, reduce their pay so as to bring outgo within income. I am quite certain that the employees of the Government and the men who served their Government in time of war, as well as the dependents of disabled veterans, will face this issue as squarely and as manfully as they have faced other issues in the past. I feel quite certain that if they were called upon to choose between a reduction in pay and the very existence of their Government they would choose the former. There is such a thing as being a patriot in peace time as well as in war, and we are all now called upon for that same degree of patriotism that we exemplified during the dark days of the war.

I cannot believe that the President of the United States, acting under the authority that will be delegated to him with the passage of this measure, would seek to make the veterans of the World War whose disabilities are service connected contribute to the balancing of the Budget. I cannot believe that the President of the United States would ask the dependents of veterans whose disability or death was service connected to so contribute. I cannot believe that the President of the United States would ask the veterans of the Spanish-American War to contribute from their monthly pensions to the balancing of the Budget. Their pensions are fixed and of long standing, and they have regulated their lives accordingly. It would be a serious injustice

to these veterans to ask them to rearrange their conditions of living this late in life. I would much rather know in advance just what course the President intends to pursue and the exact percent that he will eventually deduct from the pay of Federal employees and from the allowances that are now paid to the veterans of the World War; but having in view the dire situation of the taxpayers of the country and the depleted credit of the Government I trust in our President to do that which is just and equitable to all concerned.

For these reasons I feel obligated to vote in favor of this measure. I believe that with veterans of the wars, as well as with civilians, our country comes first.

Mr. KENNEY. Mr. Speaker, the President of the United States has recommended the legislation known as the "economy bill". This bill is before the House of Representatives today for action. It is a constitutional measure. Its recommendation by the President is in conformity with our fundamental law.

The President reflected the temper of the people when in his inaugural address he said that the people wanted action and wanted action now. I regard the economy bill as the best and surest means of action, and action now, in effecting economy in public expenditures.

There is not a Member of the House of Representatives who does not, with the President, realize that we are carrying on an economic warfare against the plague of our people—the depression. It stalks through the land like death, and not until it strikes home is it truly felt. So devastating has been its toll that there is scarcely a person remaining who has not been affected.

The result has been that the income of the individual has been insufficient to meet the demands upon him, making it absolutely necessary for him to reduce his expenditures by retrenchment. As with the individual, so with the Nation. National expenses have mounted, while its income has been precipitated. Economy in Federal Government is therefore necessary, and the necessity is realized by all.

The bill gives to the President the power to effect economy without, in fact, working any injustice to any individual or class. The President is, above all, fair and just. In him the Congress has implicit faith. What is more, he has the confidence of the people. In voting for this bill I do so with a keen feeling that no injustice will be done any veteran or his dependents, or any letter carrier, postal worker, or other employee of the Federal Government.

In Roosevelt I trust.

Mr. HOLLISTER. Mr. Speaker, the President of the United States is asking us today to follow him in a second attack on the forces of financial disruption. The day before yesterday we passed the emergency legislation which he requested to meet the banking crisis. Today he is asking us to economize and to give him authority to economize further. These economies involve cuts to all persons in the employ of the Federal Government and a revamping of the present classification and rates of allowances to veterans and their dependents.

For more than three years this Government has expended more than its income, and its deficit has today reached the staggering total of almost \$5,000,000,000. About half of the reduction in the war debt, which was accomplished during the 10 years which succeeded the war, has been wiped out in less than one third of that time. We all know this cannot go on. We have known it for some time, but yet we have found it impossible to make ends meet. We are faced with the danger that the credit of the country, on which depends our whole financial and economic structure, may be seriously impaired.

To show how imminent is this danger it is enough to consider the plans of the Treasury to finance the 800 million needed by it on March 15. The issue of short-term notes is contemplated at an interest rate of 4 percent or more, whereas a short time ago such money could be secured for less than 1 percent. Traveling farther along this road means ruin, for as interest rates go up the annual cost of the Government becomes just that much greater, and the vicious circle is completed.

It is an innate weakness of Democratic Government that it is a simple matter to expand governmental functions and, as a corollary of this, increase expenditures, but it is an almost impossible matter to contract and decrease. Large legislative bodies, particularly in good times, respond quickly to pressure to broaden the services of government and to increase salaries, wages, and allowances; but when hard times come and decreases are essential, a legislative paralysis ensues, and it is found impossible to undo what has been done. Congress has shown that the most that can be accomplished by its own initiative is some kind of a flat reduction in appropriations, which frequently results in pinching and curtailing just the classes or individuals which should have been exempted.

This inherent weakness in the legislature does not apply to the Executive. His agents work quietly, without being subject to the pressures which are brought to bear on members of the legislature, and without the publicity which attaches to the maneuvering through the legislative body of a complicated program, and without the pulling and hauling, the trading and logrolling which inevitably accompany such legislation. It is, therefore, possible for the Executive to formulate an economy program which will give proper weight to the relationship between the amount which must be saved and the various items of expenditures which must be cut off or decreased to bring about the saving.

The only logical conclusion is that if we want economy we must be willing to turn the job over to the Executive and back him up. We must forget politics and personal preferences. We are not Republicans and Democrats today. We are Americans who realize that we have come to the point where we can no longer spend more than we take in. The burden of taxation has about reached the limit, and the only alternative is a reduction in expenditures.

No one likes the idea of reducing the pay of the average Federal employee. No one likes the idea of cutting the pay of the Army and Navy. No one likes the idea of reducing the allowances to our veterans and their dependents, but if our national credit is to survive these things must be done. Unless something is done quickly all the cuts which are now contemplated will have to be increased many times before long. The welfare of the country is preeminent to that of any class. The whole is greater than any of its parts. The head of our country has asked our support in this crisis and we must give it to him. We must assume that he will exercise the powers granted him with fairness and humanity.

Mr. MURDOCK. Mr. Speaker, the government of the United States is confronted with problems falling into two classes. Both classes of problems are serious and require, for their successful solution, the wisest and most far-seeing statesmanship. As I see it, the first class consists of problems constituting the present emergency, such as the banking crisis, the agricultural crisis, and the currency problem. Since President Roosevelt has so ably and courageously submitted his program for the alleviation of our banks, and since all indications point to an immediate opening of the strong and safe banking institutions, in my opinion the agricultural problem and the currency problem require the first attention of Congress and the administration.

Agriculture is the basic industry of the Nation, and the prosperity of our entire population is dependent upon the prosperity of the farmer. Under existing conditions, the farmer is the victim of the most vicious price manipulation of which we have any record. A continuation of the policy of the last 12 years would mean the rapid enslavement of our rural population. It would mean that those who have constituted in the past the very foundation of American prosperity would be reduced to the status of serfs to the money power. Agricultural relief is probably the first step that will lead us out of the depression.

The currency problem affects not only the farmer but every class of American citizens. Falling commodity prices result in closed factories, idle mines, fruitless farms, stagnant commerce, unemployment, universal misery. Falling commodity prices are tantamount to a rise in value of gold. Increasing gold values operate to the advantage of the money

power and to the tragic disadvantage of the consuming public and of the producer. The depression will not end until proper price readjustment has been achieved by some measure of inflationary legislation tending to cheapen money and to advance the prices of basic commodities. A thorough study of the currency problem convinces me that the remonetization of silver is the one final satisfactory solution of this problem.

The second class of problems represents the abuses and errors that have crept into our governmental system over a long period of time. These abuses and errors have far-reaching consequences, and their remedy can only be accomplished by a complete overhauling of governmental machinery and a complete reversal of the national policy. It will take time to succeed in this undertaking; it will take almost superhuman effort to ferret out the faults and correct them. And it will take the utmost sincerity and honesty of purpose of every Member of Congress and every official in the Government.

The bill under consideration, known as H.R. 2820, is commonly known as an economy bill. The major part of the bill is that empowering the President to drastically reduce veterans' compensation. This is the only part of the bill which needs consideration at this time. In my opinion, the reduction of veterans' allowances without further study and deliberation is objectionable and indefensible. Mr. Roosevelt in his campaign promised an immediate reduction in governmental operating expenses of at least 25 per cent. My understanding of this pledge was that the economies were to be effected by reorganization of governmental departments, abolition of useless bureaus, and increased efficiency in every branch of the Government. The national platform of the Democratic Party in 1932 stated:

We advocate the full measure of justice and generosity for all war veterans who have suffered disability or disease caused by or resulting from actual service in time of war and for their dependents.

It is impossible for me to reconcile this pledge with the present economy measure. I am in favor of a vigorous reduction in governmental expenses. I favor reorganization of Government departments. I favor the abolition of useless bureaus. I favor the highest degree of efficiency in every department of our Federal, State, and municipal administrations. I firmly believe that by such reorganization and supervision the economies promised by President Roosevelt can be achieved; but I do not believe in making the veterans of American wars—those who were called by the fervent and feverish orators of war time "the saviors of our country", those who manifested their willingness to sacrifice their lives for their country—bear the entire burden of our reduced expenditures. There is no group in our body politic more deserving of the generosity and liberality of our Government than our ex-soldiers. There is no other group of American citizens which has so consistently demonstrated its patriotism, its loyalty, to America and American ideals as our veterans. For this reason, if there were no other, H.R. 2820 should be defeated by the House.

Furthermore—and this is obvious to every man who gives the subject a moment's thought—there is no emergency existing in connection with this bill. If there is a problem which requires thorough study and deliberation, which requires extended hearings, which requires that each Member voting on the measure should be thoroughly informed, it is this economy bill. Extravagance is another name for waste, and extravagance will be found to have sunk its poisonous roots into every department of the Federal Government. There are many useless bureaus. There are many departments inefficiently administered. There is appalling waste on every hand. And it is the duty, the solemn duty, of Congress and of the administration to search out every form of extravagance and to eradicate it. But until this problem has been given the thorough and painstaking attention it deserves, there is much danger of a reduction in expenditures that would not be true economy. There is much danger that the real extravagances of our Government will be overlooked. Those bureaus and those departments most notorious for their uselessness and for their waste have

highly paid and highly organized lobbyists representing them in the Capital of the United States, daily exerting their pernicious influence by means of the press, the radio, and other forms of publicity. This is a matter requiring the most minute investigation. It does not constitute an emergency which must be remedied by thoughtless haste.

I do not doubt that there are veterans receiving compensation who are not in need of it. But of my own knowledge, gained from a wide experience, I am persuaded that a preponderant majority of the veterans receiving allowances from the Government are in dire need, and I am convinced that in most cases the money they receive is used to the best advantage of the public generally. To deprive them of their allowances is to add one more group to the distressed citizens of the United States who are without income and without hope. America is the richest country in the world, and at the same time it has the largest number and the largest percentage of citizens without means of livelihood. We will not solve this problem by increasing its complexity. We will not abolish poverty by creating paupers. We will not end the depression by casting into utter dejection the most deserving element in our population. America is not depressed by a too wide circulation of money. It is depressed because the wealth of the Nation has gravitated to the money centers. We cannot ease the situation, we cannot lift America from the hopelessness of the past 4 years, by further restricting the circulation of money. By all means, let us give this problem the deliberation that it deserves. Let us examine it, study it, reason upon it, because only thus can we hope ever to see the light.

Mr. SMITH of Washington. Mr. Speaker and Members of the House, I cannot bring myself to vote for this bill. Two days ago I voted, as we all did, to pass the emergency bank-relief bill, designed to reopen the national banks and provide for the issuance of additional currency, in the hope that thereby benefits would accrue to all our people as well as to the direct beneficiaries, the bankers. We were given no opportunity to study or consider that legislation and passed it instantaneously because President Roosevelt and our leaders in this Chamber assured us it was absolutely necessary to do so.

This present bill repeals all existing veterans' legislation, clothes the Administrator of Veterans' Affairs with the powers of a dictator in regard to all veterans' compensation and benefits, abolishes all right of appeal from his decision or resort to the courts, and is not of an emergency character at all, for it does not go into effect until July 1. It is alleged to be a bill to effect economies in the cost of government, to assist in balancing the Budget.

The Democratic platform which was adopted at Chicago contains this pledge:

We advocate an immediate and drastic reduction of governmental expenditures by abolishing useless commissions and offices, consolidating departments and bureaus, and eliminating extravagance, to accomplish a saving of not less than 25 percent in the cost of Federal Government.

There is not a word in the platform about reduction or curtailment of the compensation or benefits being paid to veterans in service-connected disability cases or otherwise and not a word about repealing the present laws or the pensions being paid to the veterans of the Spanish-American War.

The platform does, however, set forth the pledge and promise we made and reiterated to millions of our fellow citizens in every part of the land as to what our policy would be toward the veterans, and upon which the people and the veterans certainly had every right to rely, and undoubtedly did rely, when they voted for President Roosevelt and the Democratic Members of this House, to wit:

We advocate the full measure of justice and generosity for all war veterans who have suffered disability or disease caused by or resulting from actual service in time of war and for their dependents.

Abuses in the administration of veterans' affairs, which render it possible for ex-officers to collect liberal sums as pensions and at the same time draw large salaries in civilian life, and in some cases from the Government itself, should and can be corrected by proper legislation by Congress, with-

out doing the injustice and injury to millions of our citizens which will be certain to result from the passage of this bill in its present form. The whole subject should be referred to the Committee on Veterans' Legislation to suggest appropriate and remedial legislation after hearings before the committee, with an opportunity to the veterans to be fully heard and after the freest debate in this representative forum of the people.

Why are the veterans of our wars, their widows and dependents, singled out and made the object of attack in the first economy measure proposed to the Congress?

Why not first make "the drastic reduction of governmental expenditures by abolishing useless commissions and offices and consolidating departments and bureaus," and "eliminate extravagance"?

Why not increase the income and inheritance taxes on the big fortunes in this country?

Why not increase income taxes in the higher brackets so they would more nearly conform to those levied in Great Britain and France?

Why not compel the millionaires whose income taxes are delinquent and unpaid to make payments?

Why not adopt a firm policy with the debtor nations who owe us money and require adjustments on a satisfactory basis?

Why not refund the Nation's bonded indebtedness and save \$700,000,000 interest annually by the issuance of non-interest-bearing currency?

America's total debt aggregates today about \$20,500,000,000, or about \$5,500,000,000 less than the peak figure established in the first post-war year. Reduced to a per capita basis, the indebtedness of the Nation amounts to about \$165 for every man, woman, and child living in the United States. Against this debt, there is the national wealth of the country, estimated conservatively at \$2,680 per capita. In other words, for every dollar of debt the United States possesses more than \$16 of national resources.

Great Britain's debt amounts, at par of exchange, to about \$36,500,000,000, or close to \$800 per capita, or almost five times America's per capita indebtedness. The wealth of Great Britain is estimated at \$2,170, equivalent to a ratio of only about 2.8. That is, for every dollar of debt the British possess less than \$3 of resources. On the basis of a similar ratio for the United States, the debt of the country could be increased to approximately \$120,000,000,000, and the Nation's indebtedness would still represent a smaller percentage of the resources than in the case of Great Britain.

The debt of France, including political or intergovernmental obligations, amounts to about \$455 per capita, while her wealth is estimated at \$1,450. That is to say, for every dollar of debt France has less than \$3.25 of resources. On the basis of French statistics, the debt of the United States should be approximately \$103,000,000,000.

Italy's total indebtedness, including intergovernmental debts and commitments to the Vatican, aggregates about \$242 per capita, compared with a per capita wealth of \$605. In other words, for every dollar of debt the Kingdom of Italy possesses only about \$2.50 of assets. Applying these figures to the United States, it would seem that America's indebtedness could be increased to substantially more than \$130,000,000,000.

Switzerland, which for some reason or other seems to have appealed to Americans as a haven for funds frantically and needlessly withdrawn from institutions, is also, on the basis of statistics, in a less satisfactory position than the United States. The debt of the Swiss Confederacy aggregates \$237 per capita, while the national wealth is estimated at \$2,375, a ratio of about 10 to 1.

I have taken these figures from a recent copyrighted article by Dr. Max Winkler, the noted economist.

Is it necessary to balance the Budget now?

The reports of the United States Treasury Department reveal this interesting, perhaps startling, fact to many: That during the entire history of our country, for 144 years, there has been a Government deficit during 49 of the years, and

36 of these years during a period of peace, with unbalanced Budgets; altogether during the 144 years of our history we have had a deficit and unbalanced Budget 1 year out of 2 years and 11 months.

The present deficit represents substantially the amount of the refunds of income taxes made to the big war profiteers and repeated and divers reductions in the income-tax rates on the big incomes.

My friends, the condition of our country today is not due to an unbalanced Budget, nor can it be cured by balancing the Budget. During the war we impressed with compulsory employment 4,000,000 men, and trained them for warfare on land and sea, and many millions more than that number to manufacture ships, airplanes, guns, weapons, munitions, and other equipment, and spent \$35,000,000,000 in doing so, the most futile and destructive national enterprise in which we have ever engaged, and we did not count the cost nor concern ourselves about balancing the Budget.

The people of the United States are now confronted with an emergency more serious than war. Misery is wide-spread in a time not of scarcity but of overabundance. The long-continued depression has brought unprecedented unemployment, a catastrophic fall in commodity prices, and a volume of economic losses which threatens our financial institutions. Some people believe that the existing conditions threaten even the stability of the capitalistic system. Economists are searching for the causes of this disorder and are reexamining the bases of our industrial structure. Business men are seeking possible remedies. Most of them realize that failure to distribute widely the profits of industry has been a prime cause of our present plight. * * * Some people assert that our present plight is due in part to the limitations set by courts upon experimentation in the fields of social and economic science, and to the discouragement to which proposals for betterment there have been subjected otherwise. There must be power in the States and the Nation to remold through experimentation our economic practices and institutions to meet changing social and economic needs. I cannot believe that the framers of the fourteenth amendment or the States which ratified it intended to deprive us of the power to correct the evils of technological unemployment and excess productive capacity which have attended progress in the useful arts. To stay experimentation in things social and economic is a grave responsibility. Denial of the right to experiment may be fraught with serious consequences to the Nation. * * *

This court has the power to prevent an experiment. We may strike down the statute which embodies it on the ground that, in our opinion, the measure is arbitrary, capricious, or unreasonable. We have power to do this, because the due-process clause has been held by the court applicable to matters of substantive law as well as to matters of procedure. But in the exercise of this high power, we must be ever on our guard, lest we erect our prejudices into legal principles. If we would guide by the light of reason, we must let our minds be bold. (Justices Brandeis and Stone, *New York Ice Co. v. Liebmann* (285 U.S. 306).)

Our present plight is due to a lack of purchasing power—money to spend for the necessities of life—on the part of the masses of the people who are the consumers of the products of the factory and the farm. Why have the masses no money to spend? Unemployment is the answer. Conversely, employment is the only means of ending the depression. Reducing the number of employees, governmental or industrial, reducing the wages and salaries, reducing disbursements of any kind to the people can have one effect and one only—to intensify, aggravate, and render more acute the present crisis.

Employment being the only remedy, a public-works program larger than anyone has as yet dared to advocate, giving jobs to millions, will have to be launched, and that soon.

If we would guide by the light of reason, we must let our minds be bold.

Mr. DARDEN. Mr. Speaker, I desire to present to the Members of the House a resolution adopted by Junius F. Lynch Post, No. 35, American Legion, of Norfolk, Va. The resolution speaks for itself. It is a splendid response to the President's request for cooperation. It comes at a time when the crisis confronting the Nation demands the whole-hearted support of our people. The support of our former service men is most to be desired. I am particularly anxious to present this resolution at this time, because so much is being said in reference to the support of the President by members of the American Legion.

The resolution is as follows:

Whereas our country is facing a crisis unparalleled in history, which calls for the unqualified support of the President by every American citizen: Therefore, be it

Resolved by Junius F. Lynch Post, No. 35, American Legion, Department of Virginia. That this post does here and now pledge its whole-hearted support to the President of these United States in his efforts to restore this country to normal conditions; and, further, that we urge upon our comrades in all the other posts in the Department of Virginia, as well as those in the departments of other States, the adoption of this or a similar resolution in order that our President may feel that he has the united support of the American Legion; and, further, that the American Legion posts in the several States advise their Representatives and Senators in Congress of their intention to support the President in his effort to readjust the affairs of this Nation; and be it further

Resolved, That a copy of this resolution be forwarded immediately to the President, our Representatives and Senators in Congress, to the American Legion, Department of Virginia, to all of the posts in the Department of Virginia, and to Louis Johnson, national commander of the American Legion.

MAHOOD P. HARDY, Commander.
FRED E. MARTIN, Vice Commander.
W. GARLAND JONES, Adjutant.

Mr. HENNEY. Mr. Speaker and Members of the House, I well realize that it may be considered presumptuous of one in his freshman year to proceed to the well of this honorable House to address such an august body on a subject in which he can not hope to advance many new thoughts nor add much assistance in analyzing this perplexing problem.

It is almost disheartening to have such a colossal legislative question put squarely before us in less than 48 hours after we have assumed the duties of our offices. We are called upon suddenly and without much time for discussion to cast a vote on a governmental policy which in peace times we well realize would be considered an abdication of our powers. But these are not peace times. The magnitude of our problem is greater than that of war. This, we are told by our President, is an emergency, an impending national crisis calling for real war-time measures and vested authority in our Commander in Chief equal to that called for when a foreign foe is actually invading our country.

Our ship of state is embarked on a stormy sea. The fury of the storm has increased. It has assumed the proportions of a hurricane—huge waves are lashing the sides of our craft, which under even severe conditions is amply seaworthy, but we are overloaded with a heavy cargo. The old ship is beginning to creak; it is floundering about. Our heroic and intrepid captain, holding courageously to his post, calls to the crew to man the oars. He asks, yea, he demands, that our human cargo throw overboard some of their baggage. Even though this act of jettison be a financial hardship, it is no time for mutiny. We are the 435 members of the crew who are delegated by over 120,000,000 stockholders to bring this cargo safely to shore. We cannot hope to do it by repudiating our leader. We cannot expect to do so by riotous mutiny against our captain. We cannot possibly do so by throwing overboard our captain.

My esteemed colleagues, I hope through this metaphor, which I can assure you is in no wise overdrawn, that I have added this one thought: We are in distress. We are in danger of collapse on the high seas of finance. We have a learned and courageous leader, whom we trust and who, we have every confidence, is not leading us into uncharted seas. We accept him as our leader, and when he tells us that we must divest ourselves of some of our baggage and that we must stick to our oars and pull together, this, then, as I see it, is the wisest thing for us to do. We know that when we have safely reached the shore, when the storm has abated and the warm sunlight of contentment again settles upon us, we can set about to repair our rigging, rebuild our ship, and replenish the cargo that we were obliged to lighten in order that we could get our ship safely into port.

Our valiant veterans and our Federal employees—with both groups I am in sympathy—will, I am certain, understand the dire necessity for drastic and coordinated action. This country is faced with a crisis which has assumed almost cataclysmic proportions.

We are asked, Why this sudden crisis—why the necessity for a military program in peace times? We are all aware of the increasing number of bank failures and bankruptcy proceedings in spite of the attempts of the Reconstruction Finance Corporation to bolster up the banks. A psychological state of fear has been gradually developing amongst the depositors of this country, and during the first days of March it assumed the proportions of a panic. Between February 14 and March 4 the Nation was engaged, figuratively, in the endeavor to convert over \$40,000,000,000 of bank deposits into money. Between February 1 and March 1 reporting member banks of the Federal Reserve System indicated a decline in their deposits of \$1,876,000,000. Just how much total bank deposits throughout the country declined during that period cannot be stated definitely; but, assuming that the proportion of decline was about the same and basing an estimate upon figures for total deposits as of September 30, no less than \$4,500,000,000 were lost to the banks during the month of February, 1933. That astounding fact should settle beyond doubt any argument concerning the crisis we faced when Franklin D. Roosevelt assumed the Presidency on March 4. Had these withdrawals continued at this rate for a few days longer, a panic would have swept over this country of such colossal magnitude that all previous panics would have paled into insignificance. Our President saw this clearly and acted decisively. With the precision of a military commander he ordered a nation-wide bank holiday and the concomitant order to stop hoarding gold. It was a strategic move of such sagacity that when history is written it will be comparable to that of a Napoleon or to the financial diplomacy of a Disraeli or a Hamilton.

With the runs on banks "stopped cold" and the hoarders of gold carrying it back at the rate of \$50,000,000 per day, a devastating country-wide panic was averted, but this was not enough; and, gentlemen, this bill today, which some of my colleagues have referred to disparagingly as one conferring upon him the powers of a dictator, is necessary—necessary because we cannot restore confidence in this country until the Budget is balanced. Like Mark Twain's allusion to the weather, "Everybody talks about it, but nobody ever does anything about it," so, too, it has been with the Budget for the past few years. Is it necessary? Yes; the people demand it; and, mark you, just as soon as our house is put in order, just so soon will business conditions begin to improve, the same as they did in Great Britain after they had corrected their unbalanced budget.

The Budget can be balanced in one of two ways. First, by retrenchment, by economy, by reducing the Federal pay roll, and by reorganization of Government bureaus and commissions; and, secondly, by increased taxes. I believe the latter is unthinkable, when we consider that at present nearly 35 cents out of every dollar earned in this country is turned over in taxes to maintain our governmental system. There are no large incomes today. All business is stranded, and a sales tax would be suicidal. Our people will not tolerate any more taxes.

Yes, my colleagues; in this vote we are between the wood-pile and the buzz saw. We are between his satanic majesty and the briny deep. If we vote to sustain our President, hoping and believing that by this delegation of power he can and will lead our country out of financial chaos, we shall be blamed by the veterans of all wars and by our Federal employees as discriminating against them; and if we vote a rebuke, if we register a vote of lack of confidence in our leader at this time, I am fearful to reflect, I shudder to think what the reaction of this country would be. Their logical conclusion certainly would be that if Congress has lost faith in our President in the beginning of his administration, truly all is lost and we are headed for perdition.

I beseech you, my confreres, to give this matter thoughtful consideration. For my part, I am going to follow our leader. I shall accept his judgment and his pledge that he will deal fairly and justly with all veterans. The people of the hinterlands do not understand the gigantic problems and difficult tasks that our leader is confronted with and

which he is meeting so masterfully; but I predict that the end will justify the means, and when the clouds of disaster are dissipated and the celestial sun of prosperity shines forth again, the cries of calamity will be superseded by "Well done, thou good and faithful servant." I thank you.

Mr. DEEN. Mr. Speaker and Members of the House of Representatives, the President's message, calling for immediate and concerted action on the part of the Congress in order that the credit and honor of the American Government and the people of the United States may be saved from disaster is a direct challenge to our patriotism and to our devotion to the country.

The bill before us is the President's bill. He asks for Executive power and authority to reduce salaries of all Government employees and to properly curtail expenditures in the veterans' affairs of the Nation.

A thorough revision of governmental activities along this line is absolutely imperative. Retrenchment and reduction in the cost of government must be a reality. We all know that there is no man in America who does not desire to see the ex-service men who have service-connected disabilities given a fair and square deal. However, records disclose the fact that there are great inequalities and discriminations that must be adjusted. I believe the President will use this power and authority, if granted to him by this Congress, for the benefit of all the people of the Nation. I do not believe he will impose any hardship on any deserving and worthy claim of any veteran.

The President's bill provides for a reduction in the salaries of Members of Congress from \$9,000 to \$8,500. I am today introducing my first bill, which provides that salaries of Members of Congress be reduced to \$7,500.

Our Nation is bankrupt, our Government tottering and trembling in the enormity of expenditures, our people at large heart-broken from financial losses, the taxpayers staggering and falling to their faces under the mammoth load of taxation, ten millions and more unemployed asking and begging for jobs with which to provide food and clothing, while our farmers are practically all bankrupt and ready to surrender. There must be something done about these conditions. I am for this economy bill and shall vote for it and feel that I am rendering my country a patriotic duty to share in whatever sacrifice is necessary in the adjustment of our economic conditions.

Mr. SWEENEY. Mr. Speaker, the measure before the House of Representatives for consideration is, in my opinion, the most serious, the most important legislation ever presented to the National Congress of the United States. I yield to no man in this forum in my admiration of President Franklin D. Roosevelt. I was in the front ranks at the Democratic National Convention in support of his nomination for the highest office in the world.

From the day the convention adjourned until the ballots were cast on election day, November 8, 1932, I labored incessantly in behalf of his candidacy. Under his banner I organized 60,000 voters in my community, including several thousand ex-service men, and I truly believe the results of my efforts made possible the placing of Ohio in the Democratic column last November.

I am pledged to support him in every conservative and radical proposition he advances to destroy the power of the international bankers and the influence of Wall Street upon our national life. The Democratic caucus this day, having under consideration this important measure sponsored by our standard bearer, refused to bind its Members to united action; recognizing that many of us made pledges to our constituents during the last campaign to prevent, if possible, the indiscriminate wage cutting of Federal employees, and the wholesale curtailment of pensions and disability allowances due ex-soldiers of the Nation.

Mr. Speaker, the action of the Democratic caucus and the fact that so many personal and political friends of the President of the United States, many of whom have enjoyed the Executive's confidence for years, refused to endorse this measure in its present form does not mean a

revolt in the Democratic Party. It signifies an honest difference of opinion as to the modus operandi in passing the measure.

That there are flagrant abuses in the administration of veterans' legislation, no one will deny. It has been said that if the President of the United States be given this power he will not perpetrate a wrong against any ex-service man. I believe that statement to be absolutely true. The delegation of authority to others to make final decisions in the granting of pensions and disability allowances, and from which decisions, according to the language of the bill, no appeal can be made, was a prime factor in actuating many Members to desire the opportunity of introducing safeguarding amendments. Under the rule adopted no amendments whatever were permitted. I am firmly convinced that the Senate of the United States will pass certain protecting amendments, and that the Executive will concur in its action in his effort to give the people of our country a "new deal."

I will go along with him whole-heartedly on every progressive program submitted looking to the salvation of agriculture and industry, unemployment relief, the regulation of public utilities, and the development of Muscle Shoals, the preventing of farm and home mortgage foreclosures, the modification of the Volstead Act to insure contentment and revenue for the Nation. For all of these contemplated constructive measures the President of the United States deserves, and I am sure he will receive, the unending gratitude of the people who for the past 4 years have been in the sloughs of despondency.

The veterans of today were the boys of yesterday who marched down Market Street in San Francisco, State Street in Chicago, Fifth Avenue in New York, and Main Street in every town, with bands playing and multitudes cheering. They were showered with ticker tape and rushed to the ports of embarkation to be transported over 3,000 miles of stormy ocean, to live and fight in strange lands in a war that the then Commander in Chief of the Nation, the late Woodrow Wilson, characterized as a commercial war. These boys were compelled to spend weeks and months in rain-soaked, vermin-infested trenches, showered with shrapnel and poisonous gas. Many of them left their limbs, their eyes, in no man's land. They came back crippled and badly maimed to receive the thanks of the American public and the promise "that nothing was too good for them." It is incredible that our Government, who claimed these boys as heroes yesterday, could today be so cruel and ruthless in curtailing the mere pittance they now receive.

God forbid that we should by such a drastic step further injure any veteran who suffers from a service-connected disability. These men are the backbone of the Nation. If international strife developed tomorrow they stand ready to protect the Government. Like thousands of faithful civil employees of the Federal Government, they are already carrying a heavy load in these depressed times. Unemployed relatives and friends lean heavily upon them for sustenance and support. The bread lines continue exceedingly long throughout the land. Let us not further extend the line by having these men become the wards of governmental dole, either directly or through private charity agencies. The burden of caring for the 12,000,000 unemployed is a severe one, and even now we discern a breakdown in some subdivisions of the Government under the strain.

Mr. Speaker, do not forget that the United States Steel Corporation made \$1,500,000 each day the war lasted. War profiteers and new millionaires by the thousands sprang up as a result of that great catastrophe. I believe the President of the United States will find a more efficient remedy in his effort to balance the Budget than beginning with the battle-scarred veterans to accomplish this purpose. If the capitalistic system is to endure, a limitation on wealth is inevitable. An income tax in the higher brackets and increased gift and inheritance taxes will all contribute to a balanced Budget and national security. Without a guarantee of bank deposits I am fearful of the complete restoration of confidence on the part of our people in our banking system.

It has been said that we are at war, and that a national emergency greater than the late war confronts us. There

was no cry of balancing the Budget during the World War. Our national indebtedness amounted to approximately \$28,000,000,000. The important thing to do in this crisis is not to add to a decreasing purchasing power, but rather expend every effort in putting our people to work as soon as possible to avert the possibility of a revolution, which will follow if this is not promptly effected. If such a program as I have indicated is enacted, we shall restore the Government to the people and carry out the thought so courageously expressed by the Executive in his inaugural speech:

Drive from the temple of government the money changers who are now securely entrenched therein.

Mr. GRISWOLD. Mr. Speaker, I am keenly disappointed that on so momentous a question as this a bill must be brought in under suspension of the rules which does not permit of amendments and which limits debate to such a short time that of necessity many are prevented from expressing their views which might be beneficial to this House. The bill consists of 19 pages comprising 3 titles and 28 sections. It directly affects 11,000,000 people and indirectly the total population of the United States.

We are told in press reports that the select committee to which this bill was assigned for consideration spent 3 minutes after receipt of the bill before reporting it out, and this newspaper statement has not been denied by the committee to my knowledge. Certain it is that there is no report from the committee available on the floor of the House for the use of the Members and not a page on the floor can produce a copy of that report for study by the Members. It would seem to me that in common justice a bill of such magnitude, with such far-reaching effects, deserves more consideration by a committee than 3 minutes. It further seems that a proposition that so vitally affects the American people entitles the American people to more than 3 minutes' consideration by a committee. Personally, I think more of the American people than that. It is impossible for any man, no matter how well versed on the law, to give this bill consideration and pass judgment upon it in the time that has been allotted to it.

It is the desire of many Members here to go along with the President, to support the President in all possible ways, but these same Members feel, also, that they have a duty to perform at home for their constituents, part of that duty being to know for themselves the legislation they are passing and not endorse something blindly in toto. The Democrats of this House, by a substantial majority, expressed themselves as in favor of the so-called Browning amendment, which would limit these cuts to 25 percent and conform to the pledges of the Democratic Party. Yet we are prohibited by the rule governing this bill from any expression of that will of the majority of the party and so amending the bill on the floor of the House. The party is greater than one man and no one man should be greater than his party. If so, his party perishes. I will vote against this bill because, in my opinion, it is contrary to the principles of the Democratic Party. It is contrary to the principles of Jefferson, Jackson, Lincoln, and Wilson, and it is contrary to the principles of constitutional democratic government.

Section 5, title I, provides as follows:

All decisions rendered by the Administrator of Veterans' Affairs under the provision of this title or regulations issued pursuant thereto shall be final and conclusive on all questions of law and fact, and no other officer or court of the United States shall have jurisdiction to review, by mandamus or otherwise, any such decision.

This bill gives to the Administrator of Veterans' Affairs not only the power of Congress but makes his decision superior to the Supreme Court of the United States, even as to matters of law. This does not give power to the President of the United States, who was elected by the people, but it delegates the power to overthrow decisions of the courts of the United States to a man not elected by the people and not responsible to the people. The bill, with this provision in it, creates a despotism. Just a few days ago each Member of this House took an oath to—

Support and defend the Constitution of the United States
• • • and to bear true faith and allegiance to the same.

That Constitution does not provide for or even hint at any such power as is given by this bill to any man not responsible directly to the people. In fact, if I read that Constitution correctly, all the safeguards which could be conceived by its framers were thrown around it to prevent a centralization of power such as this or the placing of an individual superior to the courts of the land. This bill allows the Administrator of Veterans' Affairs, or, under section 8 of title I, other unnamed and unknown persons, the right to render decisions that would invalidate the judgment of the courts on war-risk insurance contracts for which men have actually paid to the Government premiums on their insurance and to which insurance they are as justly entitled as is any man in private life who has paid premiums to an insurance company. Section 8 of title I provides that—

The Administrator of Veterans' Affairs is hereby authorized * * * to delegate authority to render decisions to such person or persons as he may find necessary. Within the limitation of such delegations, any decisions rendered by such person or persons shall have the same force and effect as though rendered by the Administrator of Veterans' Affairs.

We are asked to support the President to balance the Budget and maintain the credit of the Nation. I stand ready and willing to do that. I stand ready and willing to abolish any departments, commissions, or bureaus, as proposed in the Democratic platform. I stand ready to give the President the power to abrogate the contracts of the Government with the firm controlled by J. P. Morgan & Co. under which is paid to said company the sum of \$117,000 for carrying 1 pound of seagoing mail. One of the reasons why we have a deficit is because of the enormous interest charges on the public debt. The holders of Government securities have not lost one cent in either interest or principal in this depression. I am willing to back the President in any provisions which will force them to take an equitable share of the losses caused by the depression along with others. I am willing to support the President in an act that will provide for the payment of the interest on these securities and the principal in the same manner and with the same kind of money that all others are being paid under the new banking act and of relieving the taxpayers of this country of this interest burden. I am willing to support the President in the doing of all these things by specific laws which provide for them, but I am not willing to give to an unnamed Administrator of Veterans' Affairs or someone delegated by him the power to overthrow the decisions of the courts of the United States. Were I to do so, I would feel that I had violated my obligation to the platform pledges of my party, that I had violated the teachings of all the past great men of my party and my Nation, and that I had not only broken faith with my constituents but that I had broken faith with the generations yet unborn.

Mr. PETTENGILL. Mr. Speaker, my faith that we shall weather the storm comes not so much from the Congress of the United States or the Chief Executive as it does from the fact that in a little village out in Indiana there are World War veterans who know and understand. They have written me that they will once more muster in.

As a statement of the reasons why I supported the President, I quote briefly from their letter, with my reply:

MARCH 15, 1933.

WILLIAM A. REED POST, No. 307,
Wakarusa, Ind.

GENTLEMEN: Your good letter is appreciated more than I can say. In following our Commander in Chief in his battle against the long years of chaos that have threatened us it strengthens me to know that you boys in Wakarusa, regardless of party, are willing to make another sacrifice to save this Nation.

You say: "During the dark days of 1917 and 1918 America asked our support. Today we are being called upon to rally to a cause even far greater than in 1917 and 1918. We are only a handful of people here in Wakarusa, perhaps unseen, perhaps unheard, but linking all in one seal the chain that binds us into one great Commonwealth, the United States of America."

"This letter will be your authority to demand from us a wholehearted support of your effort to again bring us peace, happiness, contentment of mind, a balanced economical, social, and financial structure for our American people."

The mail has brought me another letter from a loyal ex-service friend of mine, in which he writes:

"I saw in this morning's paper how you voted on the economy bill, and I am for you. Stand back of our President! I believe it is the only way out, and he is sincere. Of course, I will lose my \$18 per month and still no job, but I'll try to get along some way."

America is again indebted to men like you. That debt will be acknowledged in every deserving case when happier times return.

We have had such implicit confidence in the financial strength of this Nation for so many long years that it is hard to understand the cold, hard facts now facing us. We see governments toppling throughout the world, we see policemen and school teachers unpaid in our greatest and wealthiest cities, we see municipal bonds in default in over 1,000 cities and towns in 41 States, and still many of us have felt that the Nation's financial strength is impregnable.

Let us look at the facts as they were present on last Saturday, the 11th of March, when we were called upon to vote to save the credit of the Nation, upon which all else depends.

There is the debt of the Federal Government. It is now about \$20,500,000,000, not including the debentures of the Reconstruction Finance Corporation. In dollars that is \$5,000,000,000 less than in the peak of 1919. But a debt when wheat is \$2 a bushel, when everybody is employed full time at good wages, is one thing. It is a different story when wheat is 40 cents, when 12,000,000 wage earners are entirely without work, when millions more are part-time employed, when farmers by the hundreds of thousands are losing the old homestead. In the last analysis debts can only be paid out of the proceeds of commodities or the wages of human toil. A burden that a well man carries with ease will crush a man who is sick. To state the debt of today in terms of the commodity price level of 1919 shows that by that yardstick of paying power the national debt today is about \$47,150,000,000.

Since the depression we have accumulated a deficit of \$5,000,000,000, and this does not include the debentures of the Reconstruction Finance Corporation, which are guaranteed by Uncle Sam, totaling hundreds of millions more. We passed a billion-dollar tax bill a year ago on postage, gasoline, electricity, etc., to be paid in every American home. We did it to balance the Budget. It is unbalanced now more than a billion dollars. We are running behind more than \$4,000,000 a day. It is an ironic fact that the only item in that billion dollar bill that has yielded the expected revenue is the tax on safe-deposit boxes. We are now paying out in interest alone more than 30 percent of every dollar that comes into the Treasury.

In recent weeks hundreds of millions of dollars of gold have been hoarded by big and little alike. That was a sign of complete lack of confidence in our country. It meant that many people were beginning to distrust the paper currency of Uncle Sam. What we never dreamed, even a few months ago, would occur has actually happened. It was a "flight from the dollar," the same as the flight from the franc and the mark and the ruble in recent years that have brought great nations to repudiation and revolution.

On Saturday last, for the first time in history, every bank in this country was closed. On the following Wednesday some \$700,000,000 of Government obligations were falling due, and over \$2,600,000,000 before the 1st of January next. Within 2 months the interest rate on Government short-time notes had jumped from a fraction of 1 per cent to over 4 per cent.

On Saturday last, it is the cold hard fact that there was only enough money in the Treasury to last 1 week. Taxes were coming in, it is true, but largely in checks on closed banks. And, as stated, even so, our deficit of \$4,000,000 a day was steadily going on. That deficit had to be borrowed.

It was on that day, perhaps the most critical day since Valley Forge or Gettysburg, that the President asked you and me to tell the Nation and the world that we were from now on, at any cost, going to live within our income.

On that day the President asked for a vote of confidence. We had just one choice—stand behind him or repudiate him before the world.

On that day what good was it to talk of the war profiteers of 14 years ago, of France defaulting on her debt, of the international bankers, of the Insulls and the Mitchells who have sold us down the river. We will straighten out those financial buzzards later. Saturday was not the day to do it.

If we had repudiated the President in what he thought was absolutely necessary to meet that desperate situation, what we have so far gone through would make midnight look like sunrise, would, perhaps, put war-maimed soldiers in hospital cots in the same case with unpaid school teachers of Chicago and Detroit.

There was only one thing to be done by an American who knew those facts and comprehended their significance. That was to stand by the Commander in Chief as he was struggling to carry the flag!

I am one of those who have thought for 2 years that strong steps should have been taken long ago to stop deflation and liquidation before it brought us to the brink of disaster. If those steps had been taken, it would not be necessary now to ask the deserving veterans and our loyal Federal employees to make the sacrifices that seem imperative now. I think we must restore purchasing power, not reduce it. I think we must rebuild commodity prices. I think we must find jobs for jobless men. But that was not the decision to be made last Saturday. There was only one decision to be made then and that was to preserve the credit of this Nation.

The bill has many things in it that I do not like. But if there is any man to whom I am willing to intrust the administration of that bill it is the man in the White House. We have had many able Presidents, but I think we have not had a President in our lifetime with a warmer heart or a greater sympathy for human suffering and distress. He has been through the mill. A man who is disabled himself can be trusted to deal kindly with the disabled veterans of this Nation until happier times return.

I believe the crisis is past and that we will now slowly climb the hill.

Once more, I thank you for your inspiring letter.

Faithfully yours,

SAMUEL B. PETTINGILL,
Member of Congress.

Mr. McFARLANE. Mr. Speaker, in the time allotted me, I briefly gave you some of the reasons why we should give more deliberate and careful consideration to the economy bill now pending before us (p. 176, CONGRESSIONAL RECORD, 73d Cong.). This measure was presented to us this morning, less than an hour before the Democratic caucus was held. A special committee report had not even been printed and furnished the Members. The Democratic caucus, after discussing this matter briefly, permitted a 25 percent reduction in all governmental expenditures. This amendment was in keeping with the National Democratic platform, which provides as follows:

We advocate an immediate and drastic reduction of Government expenditures by abolishing useless commissions and offices, consolidating departments and bureaus, and eliminating extravagance to accomplish a saving of not less than 25 percent in the cost of the Federal Government.

Such an amendment was adopted in the Democratic caucus 158 to 112. The floor leader and others were unwilling to accept this amendment, and the caucus as a body refused to support the bill. The measure was immediately placed before the House, where a rule was adopted limiting the debate and prohibiting any amendment. Those in charge of the time of both parties were heartily in favor of the bill, and a very small part of the time allotted has been given those opposed to the bill to discuss and point out the far-reaching provisions of the measure.

DISCRIMINATION

Section 17, title I, of the bill provides:

All public laws granting medical or hospital treatment, domiciliary care, compensation, pension-disability allowance, or retirement pay to veterans of the Spanish-American War, including the Boxer rebellion and the Philippine insurrection, the World War, or to former members of the military or naval service for injury or disease incurred or aggravated in the line of duty in the military or naval service, except so far as they relate to persons who served prior to the Spanish-American War, and the retirement of officers and enlisted men of the Regular Army, Navy, or Marine Corps, are hereby repealed, and all laws granting or pertaining to yearly renewable term insurance are hereby repealed, but payments in accordance with such laws shall continue to the first day of the third calendar month following the month during which this act is enacted. The Administrator of Veterans' Affairs, under the general direction of the President, shall immediately cause to be reviewed all allowed claims under the above-referred-to laws and, where a person is found entitled under this act, authorize payment or allowance of benefits in accordance with the provisions of this act, commencing with the first day of the fourth calendar month following the month during which this act is enacted; and, notwithstanding the provisions of section 9 of this act, no further claim in such cases shall be required: *Provided*, That nothing contained in this section shall interfere with payments heretofore made or hereafter to be made under contracts of yearly renewable term insurance which have matured prior to the date of enactment of this act and under which payments have been commenced.

Section 18, title I, of the bill provides as follows:

For the fiscal year ending June 30, 1934, pensions and/or any other monetary gratuity payable to former members of the military or naval service in wars prior to the Spanish-American War for service, age, disease, or injury, except retired pay of officers and enlisted men of the Regular Army, Navy, or Marine Corps, shall be reduced by 10 percent of the amount payable.

Thus it will be seen that all non-service-connected disabled war veterans, their widow and dependents, since the Civil War may be stricken from the roll, while the Civil War veterans can only be cut 10 percent, whether service or non-service connected.

THE GOVERNMENT'S CONTRACT

On June 27, 1890, our Government enacted what is commonly called the pension law, not based on service connection,

but a law recognizing the duty of the Government toward the disabled war veteran because of the kind and character of the service rendered. The service pension not based on service connection has been repeatedly recognized as right and just by the different Federal courts and the Supreme Court of the United States. These disabled veterans and their widows, most of whom are now too old to work and have at best but few years to remain with us, under the provisions of this bill may be stricken from the pension roll. The advocates of this bill have just told us from the floor that more than \$400,000,000 will be taken from the war veterans and their dependents. This measure repeals all presumptions and forces all war veterans except those of the Civil War to prove a service-connection case before he is entitled to any relief from the Government. It is well known by those in authority that, due to the then-existing conditions, service records of the war veterans were very inaccurately kept, therefore making it practically impossible for the veteran to prove service connection by evidence required under the provisions of this bill.

NATIONAL ECONOMY LEAGUE PROPAGANDA

It is a well-known fact that most of this agitation has come from the National Economy League, primarily sponsored and promoted by the large-income-tax payers of Wall Street. It is not disputed that this organization raised \$200,000 to start this campaign of propaganda in the press and in magazines to eliminate the money paid the war veteran. This propaganda campaign has been conducted with increasing viciousness and intensity for the past several years. If they are allowed to put over their program there will be rejoicing in Wall Street, for it will save millions to the large-income-tax payers. It will save very little for the average taxpayer in my district, for few of my people are privileged to pay income taxes. If this measure prevails it will permit the President through the Veterans' Administration to stop about 95 percent of the small checks that go to disabled veterans and their dependents throughout the Nation, and will thereby force these disabled veterans and their dependents to be provided for by local charity.

DICTATORIAL POWERS

Section 8, title I, is as follows:

The Administrator of Veterans' Affairs is hereby authorized in carrying out the provisions of title I of this act or any other pension act to delegate authority to render decisions to such person or persons as he may find necessary. Within the limitations of such delegations, any decisions rendered by such person or persons shall have the same force and effect as though rendered by the Administrator of Veterans' Affairs.

Section 9, title II, provides:

No court of the United States shall have jurisdiction of any suit against the United States or (unless brought by the United States) against any officer, agency, or instrumentality of the United States arising out of the application of any provision of this title, unless such suit involves the Constitution of the United States.

Thus it may be easily seen that some employee of the Veterans' Administration may deny the claim of these disabled war veterans and their dependents, and this decision is final. The courts of the country are denied them.

These war veterans were all heroes when they marched away—then the drums played and the speaker holding high office told them that they would be amply cared for. But it seems that the National Economy League's line of thought has been allowed to prevail, and that Congress has forgotten and the disabled war veterans are now in their old age to be left to local charity.

THE REMEDY

There are many steps Congress could take to remedy this situation without depriving the veterans of their small monthly checks.

First. If Congress would enact the income-tax and inheritance-tax laws of France and England this would provide revenue to balance our Budget.

Second. Congress has paid the holders of Government securities more than \$11,000,000,000 interest since 1917. The last few years, interest on the public debt has mounted to more than \$600,000,000 annually. Legislation should be

promptly enacted refunding and paying off this amount through non-interest-bearing notes.

Third. The Democratic national platform directs that our party should abolish useless commissions and offices and consolidate departments and bureaus. It is safely estimated that sufficient saving would easily balance the Budget in this way, and I favor this plan, but the National Economy League says balance the Budget by cutting off the war veterans and their dependents, and this bill permits this result to be brought about.

Fourth. We should pay off the balance due on the adjusted-service certificates in cash immediately to save the Government \$112,000,000 annually and to help restore the buying power of the people.

Fifth. We should immediately enact legislation that will assist the farmer to fix the price of his production so that he may receive a living price for his commodities.

I have introduced a bill to reduce the salaries of all Federal employees as follows:

First. Salaries from \$1,200 to \$2,500, 10 percent.

Second. Salaries from \$2,500 to \$3,500, 15 percent.

Third. Salaries from \$3,500 to \$5,000, 20 percent.

Fourth. Salaries over \$5,000, 25 percent.

Such a measure is equitable and just under present circumstances and conditions and during this emergency and should be promptly enacted. I trust the Democratic Party will never forget the principles upon which it was founded—"Equal rights and privileges to all—special privileges to none."

Mr. WITHROW. Mr. Speaker, yesterday when I attempted to say a few words relative to this matter, the gentleman from Tennessee [Mr. BYRNS] inferred that I was attempting to inject partisan politics. I believe it is fair to say that I have been as little partisan as any Member of the House of Representatives during my tenure of office. As a matter of fact, I have been divested of a great many prerogatives of my office because I have not been partisan. In the future, as in the past, I shall support the President when I feel he is right, and I shall oppose him when I am convinced that he is wrong.

PLANS ARE TO ABOLISH VETERANS' BENEFITS

Make no mistake as to what the passage of this measure means. The present plans call for a \$400,000,000 reduction of veterans' benefits. In order to cut this amount it will be necessary to do more than merely abolish the disability allowance which is paid to veterans for disabilities which are not service connected. Drastic and arbitrary regulations were adopted last year by the Administrator of Veterans' Affairs which have greatly reduced the amount of money which is now being paid out in disability allowance so that the total amount of these payments now is about \$52,000,000 less per year. Where will the remainder of the \$400,000,000 be made up? In addition to abolishing the disability allowance to World War veterans, it will be necessary to make an additional cut of \$348,000,000 in the service-connected pensions of those who were disabled while actually fighting for their country. This means that there will not only be drastic cuts in pensions to World War veterans with service-connected disabilities but also cuts in the pensions of veterans of the Civil, Spanish-American, and Indian Wars. This program also embodies cuts in widows' and orphans' pensions and drastic curtailment of hospital benefits.

CLEAN UP EVILS IN VETERANS' ADMINISTRATION

There are many inequalities and injustices which have been allowed to go unchecked by the Veterans' Administration. I am perfectly willing and demand that these evils be remedied. Clean up these evils, but do not use them as a basis for adding to the suffering of the truly deserving veteran.

The Administrator of Veterans' Affairs already has broad powers. Let him clean up these inequalities in accordance with the principles of justice and equity.

This Government has poured billions of dollars into the pockets of its false financial leaders who have led it into distress. Now it seeks to pay the bill with money taken from its suffering disabled veterans.

I BELIEVE IN REAL ECONOMY

I believe in real economy. We held an election last November and the people of the United States of America spoke. They said they wanted economy, but they did not want it at the expense of the workingman, the farmer, and the disabled veteran. They wanted the slack taken out of governmental departments, and they should get it. They were promised a new deal. It ill behooves you people who voted for the Reconstruction Finance Corporation to talk about economy—and there were only 54 of us who voted against it. The rest of you voted to dump hundreds of millions of dollars of the taxpayers' money into the laps of the big banking interests of this country, in the hope that some of it might sift through and help the farmer and unemployed.

At that time you argued that the Reconstruction Finance Corporation was to be the savior of the Nation. The activities of the Reconstruction Finance Corporation smell to the high heavens. Now, because the big financiers have again dissipated the Treasury, the soldiers, who were real patriots, must again be sacrificed, in spite of the fact that a large percentage of veterans are now in desperate need.

NEED FOR IMMEDIATE ACTION ON BONUS

This Congress has finally embarked on a program of inflation. I have advocated such a program for the past 2 years. But let me point out that no inflation program can be successful if there is no adequate means of distributing the new currency which is issued.

It will not help the unemployed man in the bread line or the disabled veteran to hand the new money over to the banks again. Even a blind man could see that such procedure has been a failure in the past. The new money must be placed directly in the hands of those who need it and who will immediately put the money into circulation by paying the grocer and the butcher and the landlord.

The only means we have of distributing the money successfully is by paying to the veterans the adjusted compensation in cash, and immediately. I am firmly convinced that cash payment of the bonus will put an end to most of our distress. The cash will be placed into circulation, men will be put to work, and farm prices will return to normal.

GIVE THE VETERANS A HEARING

We have at this time, and have had for several months, a committee in the Senate holding hearings on veterans' legislation. They are ready to report, and we are entitled to the benefit of the expense to which the United States has gone in holding these hearings.

For more than 2 months this joint committee of the Senate and House of Representatives studied the problems of veterans' legislation in an endeavor to determine whether reductions could be made in the present appropriations for veterans to help the Government meet its fiscal crisis. That committee heard an abundance of testimony on all sides of the question. It spent weeks listening to the economists, medical specialists, and other experts. It has as yet been unable to formulate any recommendation or even make a report.

How can you, in a matter of perhaps 2 hours or less, settle this important problem without doing irreparable damage to thousands of American homes throughout the Nation and thereby increase the suffering of an already hard-pressed people?

Mr. Speaker, if this measure is passed we should, in consistency, close the doors of Congress and go home. [Applause.]

CONGRESS MUST NOT DODGE ITS RESPONSIBILITY

I for one do not intend to surrender the constitutional prerogatives of my office to any President of the United States, whether he be Republican or Democrat, and I have great respect for the President.

The President is just a human being. He is not a superman. Let us go to the State of New York and examine his whole record as Governor of that State.

Did he balance the budget of the State of New York? Of course he did not. In the fiscal year ending June 30, 1931, there was a deficit of \$40,350,000. In 1932 there was a

deficit of \$101,861,500. Remember that this is only 1 of the 48 States. In the fiscal year ending June 30, 1931, the State of New York was bonded to the extent of \$411,298,000. In 1932 this bonded indebtedness had increased to \$441,157,000.

I do not intend any criticism of President Roosevelt. I respect his ability and hope that the Nation's trust in his leadership will not be betrayed. I quote these figures, which show that President Roosevelt was not able to effect economy as Governor of his own State, merely to impress the fact that he is no superman.

Therefore, I plead that you gentlemen will meet this responsibility squarely and will vote to keep this responsibility right here in the House of Representatives, where it belongs. Let us meet this problem squarely and battle it out here on the floor of the House in accordance with the wishes of the people who sent us here as their Representatives. By shifting the power to cut salaries and reduce veterans' benefits onto the shoulders of the President, you gentlemen are merely continuing the shifting and dodging policies which have already plunged our country into such dire distress.

If you gentlemen are afraid to meet this problem on your own responsibility, and do not have the courage to cast your vote for or against these measures here on the floor of the House, then cast your votes to declare the President dictator and close up the doors of Congress and go home. [Applause.]

[Here the gavel fell.]

Mr. CARPENTER of Kansas. Mr. Speaker, because of the manner in which H.R. 2820, the bill to repeal all allowances to veterans since the Civil War, was rushed through the House, and because of the gag rule that prevented any amendments being offered on the floor or an opportunity to talk upon this bill, I find it necessary to extend my remarks in the RECORD.

There is no one in this House who believes in governmental economy more than I do. One of the slogans of my campaign was, "Cut the cost of government." However, I repeatedly stated that economy should not start on the little man at the bottom but on the overpaid man at the top. In almost every speech that I made I stated that I was on the board of education of the city in which I live, and generally when we started in to reduce school expenses we started on the janitor, and I do not believe that the burden of economy should be placed upon the man in the position of the janitor.

There was no issue in this recent campaign that the cost of government should be reduced by doing away with the veterans' benefits. Not only that, but a great deal of criticism was hurled at the Hoover administration by reason of its treatment of the bonus army here in Washington, and it was clearly understood by everyone in my district that I would support and vote for the immediate payment of the bonus to the World War veterans, preferably by expansion of the currency.

The people want economy in government, and whether they want it or not, it is necessary. They do not desire, however, that the burden of economy should be placed upon the ex-service man, and it is not necessary that this be done.

The matter contained in the present bill should have been presented to us in two bills. That part having to do with economy in regard to the veteran should have been in one bill, and all that part from title II on, having to do with economy in regard to expense of running the Government, in a separate bill. That part from title II having to do with reducing governmental expenses does not go far enough. It provides for such small reductions or cuts as the President shall announce by Executive order and in no event to exceed a 15 percent cut, and limits the cut in regard to Congressmen's salaries to \$1,500, whereas I, with the majority of the members in the Democratic caucus, voted for a temporary cut in regard to veterans' compensation not to exceed 25 percent, which is 10 percent more than this bill reduces the salaries of Government employees and Congressmen. Nev-

ertheless, I would have been glad to have supported the bill, from title II on, if I had been given the opportunity. In addition to this, at the proper time for introducing bills at the commencement of today's session, before this bill was presented in the House, I introduced bill No. 3078 to reduce the compensation of Senators, Representatives, Delegates, and Resident Commissioners to \$7,500 per annum, and bill No. 3077 to reduce the mileage of Senators, Representatives, and Delegates, and Resident Commissioners to \$7,500 per annum, and bill No. 3077 to reduce the mileage of Senators, Representatives, and Delegates to 10 cents a mile.

I feel that an unfair advantage has been taken of those who believe in genuine economy, in that we were not given an opportunity to vote for real economy without wiping the veteran clear out. I say, "without wiping the veteran clear out". That is exactly what the bill provides.

Section 17 of title I reads as follows:

All public laws granting medical or hospital treatment, domiciliary care, compensation, pension disability allowance, or retirement pay to veterans of the Spanish-American War, including the Boxer rebellion and the Philippine Insurrection, the World War, or to former members of the military or naval service for injury or disease incurred or aggravated in the line of duty in the military or naval service except so far as they relate to persons who served prior to the Spanish-American War, and the retirement of officers and enlisted men of the Regular Army, Navy, or Marine Corps, are hereby repealed, and all laws granting or pertaining to yearly renewable term insurance are hereby repealed.

And section 5 of title I further provides:

All decisions rendered by the Administrator of Veterans' Affairs under the provisions of this title, or the regulations issued pursuant thereto, shall be final and conclusive on all questions of law and fact, and no other official or court of the United States shall have jurisdiction to review by mandamus or otherwise any such decision.

And section 9 of title I further provides:

Claims for benefits under this title shall be filed with the Veterans' Administration under such regulations, including provisions for hearing, determination, and administrative review, as the President may approve, and payments shall not be made for any period prior to date of application. When a claim shall be finally disallowed under this title and the regulations issued thereunder, it may not thereafter be reopened or allowed.

Therefore, in addition to repealing all veterans' legislation by section 17, above quoted, according to the latter two sections any decision by the Administrator of Veterans' Affairs, whether right or wrong, is final, and it never can be tested in any court in the United States or by any other method, and when a claim has been finally disallowed it means that the veteran may never thereafter have it reopened or allowed.

The proponents of this bill say that this bill will reduce expenditures for the veterans' compensation \$400,000,000, while the salary reduction for Government employees is only \$120,000,000. It is my thought that greater reduction should be made in the administration of the Government than what is taken away from the veteran. How can we reconcile the action of the Government in giving billions of dollars to the worthless banks of this country through the Reconstruction Finance Corporation? How can we reconcile the moratorium to our European debtors and the activities on the part of certain persons in favor of canceling their debts entirely? How can we reconcile the propaganda for appropriating greater sums for a Navy that will be obsolete in 5 years and that will no doubt result in incapacitating our sons and then turn them out to the soup lines and poorhouses of the country as we are asked to do today? How can we reconcile the proposals to appropriate \$500,000,000 for reforestation and work in connection with Muscle Shoals? All of the economy that the proponents claim by cutting out the veteran will thereby be lost.

In addition to that, we will also undermine the banking-emergency law we passed the first day of this special session of Congress, for, instead of putting money into our banks, people will be taking it out to invest in Government bonds. And again the American citizen and the soldier will be slaving to pay their taxes so the Government can pay Wall Street its interest due on these bonds.

It is an American characteristic, of which Congress is no exception, that hysteria too often guides our actions. We act today according to popular acclaim and repent tomorrow.

My vote and responsibility belong to the people of my district. They alone are the ones I represent, not the Members of this body or anyone here in Washington, and in justice to them I cannot be misled and vote to take from the deserving veteran of this country the little pitance that was granted by an appreciative country a few years ago.

We are all in the same boat, and the veteran will again willingly and gladly assume his full responsibility and will cheerfully accept reasonable cuts when no injustice will be done. May God forbid, however, that the veteran is to become the "Forgotten man" and the real governmental economy that was promised be lost sight of.

Mr. CHURCH. Mr. Speaker and ladies and gentlemen of the House, if there ever was a time in the history of the Democratic Party when the Democratic Members of Congress were under obligation to support the policies of its administration, it is now. Most of us new Members have been elected to Congress on a Roosevelt landslide. Last fall about one half of the Republican voters of the country deserted their party, temporarily at least, and voted for Franklin D. Roosevelt for President of the United States. They voted for him because they believed him a great leader and because they believed that his policies, if enacted into law, would relieve the financial distress which everywhere prevails among our people. This Roosevelt landslide swept out of Congress 90 Republican Members and placed in Congress 93 additional Democratic Members.

The new Democrats thus elected should not overlook the fact that their successful campaign in many instances was not the result of their own popularity as much as it was the desire of the voters to elect men to Congress who would assist Roosevelt in carrying out the policies that he proposed to enact into law. They were not elected to Congress in order to crystallize into law some scheme or plan for relief which they had devised but were given this possibly temporary position of trust for the sole purpose of assisting Mr. Roosevelt in establishing his policies for the relief of the country. In California, where I live, the Republicans left their party by the hundreds of thousands because they had faith in Roosevelt. I defeated my opponent by about 19,000 votes, notwithstanding the fact that he is a good man, simply because the people knew I would support the Roosevelt policies and they knew my opponent would not. If I fail to vote for this bill, I would convict myself in my own heart of having received 20,000 votes or more by false representation and pretense. During the campaign I promised everybody in public and in private that if they sent me to Congress I would help Roosevelt redeem the pledges of the Democratic Party and assist him in carrying out his plans for the salvation of the country; and I will say now that as long as I made those promises and the people voted for me by reason of that fact I am going to keep my word.

I had confidence in Roosevelt then, and I have confidence in him now. It is too late to reconsider—I cannot recall the pledges of my campaign. Were I to go back on my word, I would be a disappointment to my people, a disappointment to myself, and would have been elected by reason of my own fraud. I have full faith that the President of the United States when given the power requested in this bill will not abuse it. He has been in public office a long time, and I have never heard of him abusing in any way the power that has been intrusted to him. He has never been accused of oppressing the unfortunate or the weak; and my faith in him assures me that when it is all over, we will see that in readjusting the compensation now received by ex-service men he has caused the ax to fall only where it was necessary.

During my campaign I promised to help the ex-service men whenever I could, and I trust I am aiding them in placing their cause in the hands of a just man, a man with a big brain and a big heart; but if, on account of the tre-

mendous undertaking of compensation readjustment, a hardship is worked by inadvertence on some, I am satisfied in such cases a speedy correction will cure the wrong. Of course, we cannot accurately predict the future, but we can with great certainty review the past. And in reviewing the past I find that I promised thousands of people that if I were elected to Congress it would be for the purpose of aiding the Roosevelt policies, and not to obstruct them.

The Democratic Party pledged the people of the United States through its platform adopted at Chicago last year that if intrusted with power the expenses of government would be reduced at least 25 percent. The President is proceeding now to carry out the pledges of his party. To Mr. Roosevelt, the pledges of his party and the platform on which he was elected really mean something. If any mistake was made, it was in the party at Chicago subscribing to the pledges that it did. I admit I am not posted thoroughly enough to say just where we should begin to make the 25-percent cut, but I am in a position to know, as long as the Democratic Party made the pledge, there is nothing for it to do but to keep its word. I am not sure where we are going to make all the reduction in governmental expenses demanded by the platform of the Democratic Party, but I am sure that the cost of running the Government must be reduced. As set forth in the President's message, in the last three years the money that we have paid out has exceeded by about \$4,000,000,000 the amount of money the Government has taken in. In other words, our national debt has increased during the last three years some \$4,000,000,000. Thus it is plain to be seen that the expenses of government must be reduced. I am amazed and shocked to find that we are running behind to such an extent. It must be stopped. It is encouraging to know that the President of the United States is determined that it shall stop. The operation is bound to hurt, but it must be performed.

There is so much that this Congress must do. It must bring, by all means, relief to our farmers, and do it soon. They mortgaged their farms when money was cheap, and they are called to lift the mortgages now when money is dear. It takes three times as much farm produce and three times as much effort now to get the money to pay back as it did to get the money they received. It cannot be done. In spite of work and sweat and tears, hundreds of thousands of people are now losing their farms. When Europe was in distress, we granted a moratorium. Why should we not grant the distressed farmers of America likewise a moratorium. The farmers are looking to Washington for relief.

There is one thing that the Democratic Party and the Democrats here in Congress must not fail to understand. The American people last fall, by giving us such an overwhelming vote, gave us an opportunity, but by no means a victory. They simply placed the Democratic Party on trial. We have won no victory yet. We will have won our victory when the 12,000,000 unemployed each have a job; when our farmers are no longer losing their farms; when our merchants no longer stand in the empty aisles of their stores waiting for customers who do not come; when farm products yield a decent income to the tiller of the soil; when bread lines are no longer reaching from block to block; when the withered hands of want are no longer outstretched for help; when the wheels of industry are turning again. Then and only then will we have won the victory. Don't think because we have been elected to Congress we have won anything except an opportunity.

No Congress of all the Congresses that have gone before has been given the opportunity to help the sad and discouraged people of this country as has this, the Seventy-third Congress of the United States. With a courageous but a humble spirit, let us put our shoulders to the wheel and make the most of this opportunity, and then, with the help of God, we will triumph, and win a victory for the hundred and twenty million men, women, and children of America.

Mr. MARTIN of Colorado. Mr. Speaker, it is to be hoped that the President will exercise or cause to be exercised as humanely and as sparingly as possible certain of the abso-

lute powers granted in this bill, and which I shall vote to give him. An antipathetic construction and application of these powers will result in vast numbers of great hardships.

This is the most heroic act in the history of Congress. No such vast number of our citizens was ever before struck such a direct blow by Government, a blow aggravated by the fact that the great majority of those upon whom it will fall are already living in the very lowest brackets of income, or in no bracket.

Let there be no mistake upon one proposition. The overwhelming majority of the veterans of all wars and their dependents, numbering many millions, and the overwhelming majority of all Government employees and their dependents, numbering other millions, look with apprehension on this legislation.

The exercise of this great power over the welfare of these needy multitudes, in the manner and to the extent demanded by such organizations as the National Economy League, would be to deprive many of them of the last dollar and make them public charges on already bankrupt communities.

Let there be no mistake about another proposition, and I address myself now mainly to the majority side. These multitudes who are to make the major sacrifice for Federal economy are our people. Politically they are today bone of our bone and flesh of our flesh. They are the reason many of us are here.

We are confronted on every front page with figures as to the cost of veterans' relief. It is made to stand out like a sore thumb. I want to say that if veterans' relief finally equals the cost to the country of the World War itself, as our enemies assert, but spread out over a generation, even that great sum would not equal one half the amount of which the Nation has been robbed in the past 3 years by the greatest moneyed oligarchy that ever cursed a Nation, and which is now making a fetish of balancing the Budget. They have a mortgage on the country for more than it would bring under the hammer, but the assets are somewhat congealed and they want to thaw them out at somebody else's fire. So we must balance the Budget out of the pockets of the mortgagors.

These considerations aside, I want to say generally that I do not believe pensions and wages contributed in any degree to the present debacle in this country or that cutting pensions and wages will contribute materially to the rehabilitation of the country. The immediate effect will necessarily be to the contrary. The immediate effect must and will be more unemployment, more destitution and want, and less money in circulation and in the pockets of consumers. Let us make no mistake about this. The cry for pensions and bonuses is a cry wrung from dire necessity. These millions want work, not charity. They want wages, not doles from the Government. When the country faced the emergency of war, their very lives were commandeered. They were ordered to do and die that the Nation might live. Now that another and greater emergency than that of war grips the country, instead of taking everything from these needy veterans, I say, commandeer some of the stolen billions.

Conceding that this act is essential as an emergency measure to the immediate preservation of the Nation's credit, let us here, who must pay the price for our support of it, solemnly resolve that this is only the first step on the road to a complete and just reorganization of the financial, industrial, and economic structure of the country.

Let us lay upon wealth, the chief beneficiary of government, the major part of the cost of maintaining government. Every monopoly of a national necessity is today making profits in a bankrupt country.

Let us reinforce the basic money of the country by the remonetization of silver.

Let us pay the balance of the adjusted compensation in non-interest-bearing notes of the United States, with no strings on them to pull them out of circulation.

Let us set our sights for bigger game than needy war veterans and underpaid Government employees. It is futile

to talk about a new deal unless and until we break the stranglehold of the money power on this country. If we could grope our way out of this labyrinth of disaster, with the money power still intact and intrenched, it would be like fighting the World War and not winning it. We cannot, we dare not permit this. To permit it would bring upon us the just condemnation of the workers and farmers who make up the essential population of this country.

I come now briefly to the reasons which impel me to support this legislation. The man who does not appreciate the imminence and magnitude of the prevailing financial chaos has no opinion worth considering. Every man with an income must give some to the common cause. There can be no excepted classes. None should ask or expect to be excepted. On behalf of the men who wore the uniform, I want to deny that they ask that this cup pass wholly from them. If the charges now being made against them were half true, then I would say, God help the country. Because it is the history of our wars that out of them came the leaders of the next generation. Not merely because of their numbers or organization, but primarily because they were picked men, and their extraordinary experience developed in them the capacities of leadership. Veterans of the World War will yet sit in the White House.

To start making exceptions in this common crisis would be to pull the foundation from beneath the whole structure of the administrative program. That program has the approval of the country. The country is in no temper to temporize. I have faith in our leader, in his judgment and his humanity. He is moving with a courage and promptness unsurpassed if, indeed, equaled in American history. The objectives have been determined, the plan of campaign worked out, the order to charge given. It is the duty of good soldiers to obey. I obey, not only with the hope but with confidence that the great heart in the White House will still beat with compassion for the needy, with deep feeling for the millions whose welfare will be in his hands.

In conclusion I shall note the two objections most frequently made to this bill—one that in passing this bill we are hiding behind the President, and the other that we are abdicating the powers of Congress to the President. As to the first, every man who votes for this bill is assuming full responsibility for whatever may be done under it. As to the second, the Congress need not be at all concerned over accusations that it is abdicating its powers. The failure of the last Congress brought the rating of the legislative department of the Government down to a new all-time low. It will rehabilitate itself in the confidence of the country by promptly granting the President all of the power he is willing to assume.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Craven, its principal clerk, announced that the Senate has passed the following resolution:

Senate Resolution 23

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of Hon. ROBERT B. HOWELL, late a Senator from the State of Nebraska.

Resolved, That a committee of 15 Senators be appointed by the Vice President to take order for superintending the funeral of the deceased Senator.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased the Senate do now adjourn.

SWEARING IN OF MEMBERS

Mr. BLAND. Mr. Speaker, I send a resolution to the desk and ask for its immediate consideration.

The Clerk read as follows:

House Resolution 34

Whereas ANDREW J. MONTAGUE, a Representative from the State of Virginia, has been unable from sickness to appear in person to be sworn as a Member of the House, and there being no contest or question as to his election: Therefore be it

Resolved, That the Speaker be, and he is hereby, authorized to administer the oath of office to said ANDREW J. MONTAGUE at Garfield Memorial Hospital, in Washington, D.C., and that the said

oath, when administered as herein authorized, shall be accepted and received by the House as the oath of office of the said ANDREW J. MONTAGUE.

The resolution was agreed to.

Mr. JOHNSON of Oklahoma. Mr. Speaker, I offer a resolution which I send to the desk.

The Clerk read as follows:

House Resolution 38

Whereas WILBURN CARTWRIGHT, a Representative from the State of Oklahoma, has been unable from sickness to appear in person to be sworn as a Member of the House, and there being no contest or question as to his election: Therefore be it

Resolved, That the Speaker be, and he is hereby, authorized to administer the oath of office to said WILBURN CARTWRIGHT at Walter Reed Hospital in Washington, D.C., and that the said oath, when administered as herein authorized, shall be accepted and received by the House as the oath of office of the said WILBURN CARTWRIGHT.

The resolution was agreed to.

REPRESENTATIVE-ELECT HENRY ELLENBOGEN

The SPEAKER laid before the House the following communication from the Clerk of the House, which was read and, together with the accompanying papers, referred to the Committee on Elections, when appointed:

HOUSE OF REPRESENTATIVES,
CLERK'S OFFICE,
Washington, D.C., March 10, 1933.

HON. HENRY T. RAINY,
Speaker of the House of Representatives,
Washington, D.C.

MY DEAR MR. SPEAKER: There is herewith transmitted memorial and accompanying letters relating to the citizenship qualifications of HENRY ELLENBOGEN, a Representative-elect from the Thirty-third Congressional District of Pennsylvania to the Seventy-third Congress.

Yours very truly,

SOUTH TRIMBLE,
Clerk of the House of Representatives.

REPUBLICAN CONFERENCE

Mr. SNELL. Mr. Speaker, I desire to make an announcement that there will be a meeting of the Republican members of the Committee on Committees in the Interstate and Foreign Commerce room in the old House Office Building Monday morning at 10 o'clock.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. McCLINTIC of Oklahoma, for today, on account of illness.

To Mr. SEARS, for 5 days, on account of illness.

To Mr. CLARKE of New York, for a few days, on account of important business.

To Mr. ALMON, indefinitely, on account of illness.

THE LATE HON. ROBERT B. HOWELL, UNITED STATES SENATOR FROM THE STATE OF NEBRASKA

Mr. HOWARD. Mr. Speaker, I regretfully announce to the House the death this afternoon of the Honorable ROBERT BEECHER HOWELL, junior Senator from the State of Nebraska, and on behalf of the Nebraska delegation in the House of Representatives I present at the desk an appropriate resolution.

The Clerk read as follows:

House Resolution 35

Resolved, That the House has heard with profound sorrow of the death of the Honorable ROBERT B. HOWELL, a Senator of the United States from the State of Nebraska.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased Senator.

Resolved, That a committee of two Members be appointed on the part of the House to join with the committee appointed on the part of the Senate to attend the funeral.

The resolution was agreed to.

The SPEAKER. The Chair appoints as a committee the gentleman from Nebraska [Mr. SHALLENBERGER] and the gentleman from Nebraska [Mr. BURKE].

The Clerk read as follows:

Resolved, That, as a further mark of respect, this House do now adjourn.

The resolution was agreed to; accordingly (at 3 o'clock and 29 minutes p.m.) the House adjourned until Monday, March 13, 1933, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

2. Under clause 2 of rule XXIV a letter from the vice chairman of the national legislative committee of the American Legion, transmitting copy of financial statement of the American Legion as of December 31, 1932, was taken from the Speaker's table and referred to the Committee on World War Veterans' Legislation.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII,

Mr. McDUFFIE: Committee on Economy. H.R. 2820. A bill to maintain the credit of the United States Government; without amendment (Rept. No. 1). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. KELLY of Pennsylvania: A bill (H.R. 3073) to authorize the Bureau of Mines to manufacture radium for experimental purposes; to the Committee on Mines and Mining.

Also, a bill (H.R. 3074) to provide that the principal officer of each executive department shall attend certain sessions of the Senate and House of Representatives; to the Committee on Rules.

Also, a bill (H.R. 3075) providing for the purchase of addition to the site of public building at Tarentum, in the State of Pennsylvania; to the Committee on Public Buildings and Grounds.

Also, a bill (H.R. 3076) to provide for the appointment and promotion of substitute postal employees; to the Committee on the Post Office and Post Roads.

By Mr. CARPENTER of Kansas: A bill (H.R. 3077) to reduce the mileage of Senators, Representatives, and Delegates to 10 cents a mile; to the Committee on Expenditures in the Executive Departments.

Also, a bill (H.R. 3078) to reduce the compensation of Senators, Representatives, Delegates, and Resident Commissioners to \$7,500 per annum; to the Committee on Expenditures in the Executive Departments.

By Mr. McCORMACK: A bill (H.R. 3079) authorizing the erection of a memorial to Brig. Gen. Casimir Pulaski at Savannah, Ga.; to the Committee on the Library.

By Mr. TRUAX: A bill (H.R. 3080) to provide that no judicial order for the sale of any real estate shall be issued by any court in the United States of America for a period of 1 year from the passage of this act; to the Committee on the Judiciary.

By Mr. WEAVER: A bill (H.R. 3081) to extend the benefits of the act approved May 1, 1926, to persons who were employed as teamsters in the Military Establishment in the war with Spain or the Philippine insurrection; to the Committee on Pensions.

By Mr. KENNEY: A bill (H.R. 3082) to amend the Reconstruction Finance Corporation Act so as to extend the provisions thereof to provide emergency financial facilities for the municipalities of the Nation; to the Committee on Banking and Currency.

By Mr. WILCOX: A bill (H.R. 3083) to amend an act entitled "An act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and acts amendatory thereof and supplementary thereto; to the Committee on the Judiciary.

By Mr. BURNHAM: A bill (H.R. 3084) authorizing the sale of portions of the Pueblo lands of San Diego to the city of San Diego, Calif.; to the Committee on Military Affairs.

By Mr. DEEN: A bill (H.R. 3085) to reduce the compensation of Senators, Representatives, Delegates, and Resident Commissioners to \$7,500 per annum; to the Committee on Expenditures in the Executive Departments.

By Mr. MILLER: A bill (H.R. 3086) to provide for the relief of farmers in any State by the making of loans to drainage districts, levee districts, levee and drainage districts, irrigation and/or similar districts other than Federal reclamation projects, or to counties, boards of supervisors, and/or other political subdivisions and legal entities, and for other purposes; to the Committee on Irrigation and Reclamation.

Also, a bill (H.R. 3087) to provide that the United States shall aid the States in the construction and maintenance of rural post roads, and for other purposes; to the Committee on Roads.

By Mr. JAMES: A bill (H.R. 3088) to authorize appropriations for construction of buildings, utilities, and appurtenances at Maxwell Field, Ala.; to the Committee on Military Affairs.

Also, a bill (H.R. 3089) to authorize appropriations for construction of buildings, utilities, and appurtenances thereto, and for other purposes, at Marshall Field, Kans.; to the Committee on Military Affairs.

Also, a bill (H.R. 3090) to authorize appropriations for construction of buildings, utilities, and appurtenances thereto at Crissy Field, Calif.; to the Committee on Military Affairs.

Also, a bill (H.R. 3091) to authorize appropriations for construction and for other purposes at Post Field, Okla.; to the Committee on Military Affairs.

Also, a bill (H.R. 3092) to authorize the conversion of the Air Corps shops at Langley Field, Va., into a post exchange at that station; to the Committee on Military Affairs.

Also, a bill (H.R. 3093) to authorize appropriations for construction of buildings, utilities, and appurtenances thereto at Chanute Field, Ill.; to the Committee on Military Affairs.

Also, a bill (H.R. 3094) to authorize appropriations for construction of buildings, utilities, and appurtenances thereto at Selfridge Field, Mich.; to the Committee on Military Affairs.

Also, a bill (H.R. 3095) to authorize the acquisition for military purposes of land in Virginia for use as an addition to Langley Field, and for other purposes; to the Committee on Military Affairs.

Also, a bill (H.R. 3096) to authorize appropriations for construction of buildings, utilities, and appurtenances, and for other purposes, at Fort Leavenworth, Kans.; to the Committee on Military Affairs.

By Mr. TINKHAM: A bill (H.R. 3097) making certain matter inadmissible as evidence in the Federal courts, and for other purposes; to the Committee on the Judiciary.

By Mr. ANDREWS of New York: A bill (H.R. 3098) to permit the United States to be made a party defendant in certain cases; to the Committee on the Judiciary.

Also, a bill (H.R. 3099) to amend section 4 of the United States Grain Standards Act of 1916, as relating to the use of the official grain standards of the United States on grain moved in interstate commerce from shipping points to destination points without official grade determination; to the Committee on Agriculture.

By Mr. KELLY of Pennsylvania: A bill (H.R. 3100) to define the intent of the antitrust laws as to certain agreements; to the Committee on the Judiciary.

Also, a bill (H.R. 3101) granting leaves of absence with pay to substitutes in the Postal Service; to the Committee on the Post Office and Post Roads.

By Mr. SUMNERS of Texas: Joint resolution (H.J.Res. 74) to create a commission entitled "The Advisory Commission on Economic Adjustment and Rehabilitation", composed of certain members; to the Committee on Rules.

By Mr. BACON: Resolution (H.Res. 21) amending rule XIV of the rules of the House of Representatives; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDREWS of New York: A bill (H.R. 3102) for the relief of William Arthur Cluchey; to the Committee on Naval Affairs.

Also, a bill (H.R. 3103) for the relief of Alexander Stanley Lazik; to the Committee on Naval Affairs.

Also, a bill (H.R. 3104) for the relief of Harry Schrader; to the Committee on Naval Affairs.

Also, a bill (H.R. 3105) for the relief of Charles E. Strouse; to the Committee on Naval Affairs.

Also, a bill (H.R. 3106) granting an increase of pension to Katherine A. Ogden; to the Committee on Pensions.

Also, a bill (H.R. 3107) granting an increase of pension to Anna Tucker; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3108) for the relief of Arthur W. Bradshaw; to the Committee on Claims.

Also, a bill (H.R. 3109) for the relief of James J. Gallagher; to the Committee on Naval Affairs.

Also, a bill (H.R. 3110) for the relief of James J. Gallagher; to the Committee on Naval Affairs.

Also, a bill (H.R. 3111) for the relief of George Rounds; to the Committee on Claims.

Also, a bill (H.R. 3112) for the relief of Frank L. Noon; to the Committee on Naval Affairs.

Also, a bill (H.R. 3113) granting a pension to Bellé M. Harris; to the Committee on Pensions.

Also, a bill (H.R. 3114) granting a pension to Caroline M. Nebrich; to the Committee on Pensions.

Also, a bill (H.R. 3115) granting an increase of pension to Margaret E. Pierce; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3116) for the relief of William Hayes; to the Committee on Claims.

Also, a bill (H.R. 3117) granting a pension to Richard J. Walsh; to the Committee on Pensions.

Also, a bill (H.R. 3118) for the relief of August A. Carminati; to the Committee on War Claims.

Also, a bill (H.R. 3119) for the relief of Carrie McIntyre; to the Committee on Military Affairs.

Also, a bill (H.R. 3120) granting a pension to Frederick F. MacCleverty; to the Committee on Pensions.

By Mr. BEEDY: A bill (H.R. 3121) granting a pension to John Dudley; to the Committee on Invalid Pensions.

By Mr. HAINES: A bill (H.R. 3122) granting an increase of pension to Mary E. Eberly; to the Committee on Invalid Pensions.

By Mr. BEITER: A bill (H.R. 3123) to correct the military record of Casimer F. Brylski; to the Committee on Naval Affairs.

By Mr. BRITTEN: A bill (H.R. 3124) for the relief of Stephen Sowinski; to the Committee on Military Affairs.

Also, a bill (H.R. 3125) for the relief of William F. Shaw; to the Committee on Naval Affairs.

Also, a bill (H.R. 3126) granting a pension to Emma L. Elliott; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3127) for the relief of John Edward Ward; to the Committee on Naval Affairs.

Also, a bill (H.R. 3128) granting an increase of pension to Frank Hartman; to the Committee on Pensions.

Also, a bill (H.R. 3129) granting a pension to John N. Aull; to the Committee on Pensions.

By Mr. BURNHAM: A bill (H.R. 3130) to extend the benefit of the United States Employees' Compensation Act to Frank A. Smith; to the Committee on Claims.

Also, a bill (H.R. 3131) granting a pension to Lucy McManning; to the Committee on Invalid Pensions.

By Mr. FREAR: A bill (H.R. 3132) granting an increase of pension to Anna M. Elkin; to the Committee on Pensions.

By Mr. FULLER: A bill (H.R. 3133) granting a pension to Lillie Siemiller; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3134) granting a pension to Gabriel Patrick; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3135) granting a pension to Margaret Officer; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3136) granting a pension to Bettie A. Reese; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3137) granting a pension to Martha J. Hopper; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3138) granting an increase of pension to Ada A. Bevers; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3139) granting a pension to Gemima Reeves; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3140) granting a pension to Lau Jones; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3141) granting an increase of pension to Fronia L. B. Norwood; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3142) granting an increase of pension to R. D. Jordan; to the Committee on Pensions.

By Mr. HAMILTON: A bill (H.R. 3143) granting a pension to Henry Hibbard; to the Committee on Pensions.

By Mr. HOOPER: A bill (H.R. 3144) for the relief of Eugene D. Broas; to the Committee on Military Affairs.

Also, a bill (H.R. 3145) for the relief of August Schaller; to the Committee on Military Affairs.

Also, a bill (H.R. 3146) for the relief of John W. Barnum; to the Committee on Claims.

Also, a bill (H.R. 3147) granting a pension to Elmer E. Laurence; to the Committee on Pensions.

Also, a bill (H.R. 3148) for the relief of Myron L. Leutwein; to the Committee on Military Affairs.

Also, a bill (H.R. 3149) for the relief of Harry Parker; to the Committee on Military Affairs.

By Mr. LARRABEE: A bill (H.R. 3150) for the relief of Charley H. Caldwell; to the Committee on Military Affairs.

Also, a bill (H.R. 3151) granting a pension to John L. Richman; to the Committee on Pensions.

Also, a bill (H.R. 3152) for the relief of Theodore B. Marshall; to the Committee on Claims.

Also, a bill (H.R. 3153) for the relief of Arthur Witte; to the Committee on Claims.

Also, a bill (H.R. 3154) granting an increase of pension to Nora A. Kitchen; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3155) granting an increase of pension to Frances A. Bruce; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3156) granting a pension to Anna Barton; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3157) granting a pension to Elizabeth Rice; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3158) granting a pension to Mary Roberts; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3159) granting a pension to Elmer B. Kaley; to the Committee on Invalid Pensions.

By Mr. MILLARD: A bill (H.R. 3160) for the relief of William Ropes; to the Committee on Claims.

By Mr. ROBERTSON: A bill (H.R. 3161) for the relief of Henry Harrison Griffith; to the Committee on Claims.

By Mr. TINKHAM: A bill (H.R. 3162) granting a pension to Agnes M. Jackman; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3163) granting a pension to Emma E. Durgin; to the Committee on Invalid Pensions.

By Mr. WEAVER: A bill (H.R. 3164) granting a pension to Flora Duckett; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3165) granting an increase of pension to Hezekiah C. Rice; to the Committee on Pensions.

Also, a bill (H.R. 3166) granting an increase of pension to William B. Roberts; to the Committee on Pensions.

Also, a bill (H.R. 3167) for the relief of Sue Hall Erwin; to the Committee on Naval Affairs.

Also, a bill (H.R. 3168) for the relief of Zeb Vance Davidson; to the Committee on Naval Affairs.

Also, a bill (H.R. 3169) authorizing the United States Employees' Compensation Commission to consider the claim of Martin Luther Mauney; to the Committee on Claims.

Also, a bill (H.R. 3170) for the relief of Claude B. Robinson; to the Committee on Naval Affairs.

Also, a bill (H.R. 3171) authorizing the United States Employees' Compensation Commission to consider the claim of O. G. Anderson; to the Committee on Claims.

Also, a bill (H.R. 3172) to reimburse Mrs. Charles Stewart for money expended by her in treatment of her husband, Charles L. Stewart, who was fatally wounded while in the performance of duty as deputy United States marshal; to the Committee on Claims.

Also, a bill (H.R. 3173) granting a pension to Ellen F. Colt; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3174) granting a pension to W. M. C. Craig; to the Committee on Invalid Pensions.

Also, a bill (H.R. 3175) for the relief of John C. Gibbs; to the Committee on War Claims.

Also, a bill (H.R. 3176) for the relief of Ernest Elmore Hall; to the Committee on War Claims.

Also, a bill (H.R. 3177) for the relief of Mack Corn; to the Committee on War Claims.

Also, a bill (H.R. 3178) for the relief of Oswald Hood Harney; to the Committee on War Claims.

Also, a bill (H.R. 3179) for the relief of William J. Cocke; to the Committee on War Claims.

Also, a bill (H.R. 3180) to authorize the Secretary of Agriculture to adjust claims to so-called "Olmstead lands" in the State of North Carolina; to the Committee on the Judiciary.

Also, a bill (H.R. 3181) for the relief of Lloyd D. Rhodes; to the Committee on Military Affairs.

Also, a bill (H.R. 3182) for the relief of Flora R. Silverman; to the Committee on Military Affairs.

Also, a bill (H.R. 3183) for the relief of M. E. Haynie; to the Committee on Claims.

Also, a bill (H.R. 3184) for the relief of Edna Marshburn; to the Committee on Claims.

Also, a bill (H.R. 3185) for the relief of Ben F. Draper; to the Committee on Claims.

Also, a bill (H.R. 3186) for the relief of John H. Wykle; to the Committee on Claims.

Also, a bill (H.R. 3187) for the relief of Laura E. Alexander; to the Committee on Claims.

Also, a bill (H.R. 3188) for the relief of Rufus Hunter Blackwell, Jr.; to the Committee on Claims.

Also, a bill (H.R. 3189) granting a pension to Florence C. Gilmore; to the Committee on Pensions.

Also, a bill (H.R. 3190) granting a pension to Houston Caldwell; to the Committee on Pensions.

Also, a bill (H.R. 3191) granting a pension to Fred V. Hill; to the Committee on Pensions.

Also, a bill (H.R. 3192) granting a pension to Dora A. Behnken; to the Committee on Pensions.

Also, a bill (H.R. 3193) granting a pension to Robert Garrett; to the Committee on Pensions.

Also, a bill (H.R. 3194) granting a pension to Robert Edward Crawford; to the Committee on Pensions.

Also, a bill (H.R. 3195) granting a pension to Carl H. Felmet; to the Committee on Pensions.

Also, a bill (H.R. 3196) granting a pension to Beulah H. Baldwin; to the Committee on Pensions.

Also, a bill (H.R. 3197) granting a pension to Johnie G. Morris; to the Committee on Pensions.

Also, a bill (H.R. 3198) granting a pension to Dennis G. Harkins; to the Committee on Pensions.

Also, a bill (H.R. 3199) granting a pension to James P. Case; to the Committee on Pensions.

Also, a bill (H.R. 3200) granting a pension to Mary A. Jackson; to the Committee on Pensions.

Also, a bill (H.R. 3201) granting a pension to John V. Smith; to the Committee on Pensions.

Also, a bill (H.R. 3202) granting a pension to Allen G. T. Fox; to the Committee on Pensions.

By Mr. WEST: A bill (H.R. 3203) granting an increase of pension to Mary McHale; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

29. By Mr. BACON: Petition of sundry citizens of Lynbrook and vicinity, urging a constitutional amendment to eliminate the count of aliens for apportionment purposes; to the Committee on the Judiciary.

30. Also, petition of sundry citizens of Flushing, N.Y., protesting the relegalization of beer; to the Committee on the Judiciary.

31. Also, petition of executive committee of the New York State Economic Council, urging the grant by Congress to the President of all necessary power to reduce Government expenditures; to the Committee on Appropriations.

32. By Mr. CARTER of California: Petition signed by Irene Chapin, Flora Foster, and 45 others, of Oakland, Calif., urging the passage of the stop-alien-representation amendment; to the Committee on the Judiciary.

33. By Mr. GIBSON: Petitions of the Vermont Department of the American Legion, expressing appreciation of the action on the part of the War Policy Commission, and urging enactment of the proper legislation to establish a plan of universal conscription; opposing cancellation of war debts owed the United States by European countries, and favoring support of legislation benefiting widows and orphans of deceased veterans; to the Committee on Economy.

34. Also, petition of Bristol Post, No. 19, of the American Legion, Department of Vermont, opposing any of the proposed reductions in the benefits which are now being paid and any revision in the privileges that are now accorded by law to veterans of all wars; to the Committee on Economy.

35. By Mr. MEAD: Petition of the Buffalo Civic Defense League, Inc., supporting the Capper-Kelly bill; to the Committee on Interstate and Foreign Commerce.

36. By Mr. RUDD: Petition of S. Winterbourne & Co., New York City, favoring legislation for the discontinuance of the manufacture of paints and varnishes in the Government navy yards, as recommended by the Shannon investigating committee; to the Committee on Naval Affairs.

37. By Mr. SINCLAIR: Memorial in the nature of a joint resolution of the Senate and House of Representatives of the State of North Dakota, memorializing Congress for the enactment of legislation to insure the proper distribution of currency and the transaction of ordinary banking business in such a manner as to protect the interests of the people of the United States; to the Committee on Banking and Currency.

38. By Mr. WALDRON: Petition of Philadelphia Local, No. 40, National Association of Special Delivery Messengers of the Postal Service, requesting they be placed under a special classified service of the Postal Service with proper compensation and benefits such as do accrue to all civil-service employees; to the Committee on the Post Office and Post Roads.

39. By Mr. SUTPHIN: Resolution of the Asbury Park Kiwanis Club, pledging its unqualified fealty, support, and confidence to the new President and to the Congress of the United States in their efforts to solve the problems which now confront our Government; to the Committee on Ways and Means.

SENATE

MONDAY, MARCH 13, 1933

The Chaplain, Rev. Z. Barney T. Phillips, D.D., offered the following prayer:

Almighty God, who hast taught us in Thy Holy Word that whosoever dwelleth in the secret place of the most high shall abide under the shadow of the Almighty, be very near at this morning hour as we pause in loving reverence to pay grateful tribute to the memory of him whom Thou hast called unto Thyself, our companion and our friend, in whose heart there was no languor, in whose word there was no weakness; and though in these latter days weariness was on his brow, do Thou vouchsafe him rest and refreshment in

that realm beyond the bound of waste, in the holy city of our God.

Deal tenderly with her the companion of his heart, and in this day of trouble be Thou her refuge and strength, a very present help, nearer than hands and feet, nearer than breath itself.

Comfort all who mourn the loss of loved ones; grant to those who suffer, surcease from their pain; bless the ministry of all who in Thy name respond to the call of urgent need in the face of this dire calamity that hath befallen us; and that we may climb higher to the graces of self-sacrifice, give us the godlike aim to know, the godlike power to do Thy will. Through Jesus Christ, our Lord. Amen.

LYNN J. FRAZIER, a Senator from the State of North Dakota, and HENRY D. HATFIELD, a Senator from the State of West Virginia, appeared in their seats today.

THE JOURNAL

The Chief Clerk proceeded to read the Journal of the proceedings of the calendar day of Saturday, March 11, 1933, when, on request of Mr. ROBINSON of Arkansas and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hattigan, one of its clerks, communicated to the Senate the resolutions of the House adopted as a tribute to the memory of Hon. Robert B. Howell, late a Senator from the State of Nebraska.

The message also announced that the House had passed a bill (H.R. 2820) to maintain the credit of the United States Government, in which it requested the concurrence of the Senate.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

CALL OF THE ROLL

Mr. ROBINSON of Arkansas. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Copeland	Kean	Reed
Ashurst	Costigan	Keyes	Reynolds
Austin	Couzens	King	Robinson, Ark.
Bachman	Dale	La Follette	Robinson, Ind.
Bailey	Dickinson	Lewis	Russell
Bankhead	Dill	Logan	Sheppard
Barbour	Duffy	Loneragan	Smith
Barkley	Fess	Long	Steiner
Black	Fletcher	McAdoo	Stephens
Bone	Frazier	McCarran	Thomas, Okla.
Borah	George	McGill	Thomas, Utah
Bratton	Glass	McKellar	Townsend
Brown	Goldsborough	McNary	Trammell
Bulkeley	Gore	Metcalf	Tydings
Bulow	Hale	Murphy	Vandenberg
Byrd	Harrison	Neely	Van Nuys
Byrnes	Hastings	Nye	Wagner
Capper	Hatfield	Overton	Walcott
Caraway	Hayden	Patterson	Walsh
Clark	Hebert	Pittman	White
Connally	Johnson	Pope	

Mr. WALSH. I desire to announce the absence of my colleague the junior Senator from Massachusetts [Mr. COOLIDGE] on account of a death in his family.

Mr. REED. I wish to announce that my colleague the junior Senator from Pennsylvania [Mr. DAVIS] is detained from the Senate by illness. I will let this announcement stand for the day.

Mr. BLACK. I wish to announce that the Senator from Montana [Mr. WHEELER] and the Senator from Wyoming [Mr. KENDRICK] are detained from the Senate, having been in attendance upon the funeral of the late Senator Walsh, of Montana.

Mr. HEBERT. I desire to announce that the Senator from Nebraska [Mr. NORRIS] and the Senator from Wyoming [Mr. CAREY] are absent from the Senate attending the funeral of the late Senator Robert B. Howell.